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Indonesian/U.S. Relations

Djakarta Saungam No 37
24th July 1970

3034/11/161

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14. The Commander of the U.S. Marine Corps, General Leonard S. Chapman Jr. visited Indonesia during the week as a guest of the Indonesian Navy. It is understood that he is making a tour of several South East Asian countries, and was recently in Vietnam. General Chapman has had discussions with senior Indonesian armed service officials, including the Deputy Chief of the Armed Forces, General Panggabean, and the Commander of the Indonesian Marine Corps (KKO), Maj. Gen. Mukijat. He also witnessed Marine Corps manoeuvres and exercises.

3034/11/161

I.62967

DEPARTMENT OF EXTERNAL AFFAIRS

CONFIDENTIAL

INWARD SAVINGRAM

5th June, 1970.
Rec'd: 9/6/70...1555

From: Australian Embassy,
DJAKARTA.

SAVINGRAM NO. 31

Repeated Kuala Lumpur, Singapore, Washington, The Hague

WEEKLY SAVINGRAM

MAIN POINTS:

- President Soeharto's visit to the United States has been commented on with warm approval in Indonesia.
2. The Japanese Army Chief of Staff has made a three-day 'unofficial visit' to Indonesia.
3. P.N.I. factional politics continue to receive government and press attention.
4. Muslim protest against 'decadence', the Chinese, and Christian influences has again resulted in violence, with the burning down of a casino in Palembang.
5. The abandonment of the foreign contract BIMAS (agriculture extension) scheme has been confirmed.

X EXTERNAL:

6. Press Comment on Soeharto's U.S. Visit. Indonesian press comment warmly approved of President Soeharto's visit to the United States. Far from seeing it as merely a reciprocation of President Nixon's visit last year, most papers felt that with the recent success of the Djakarta Conference on Cambodia, President Soeharto would be received in the U.S. with high esteem and sympathy, as an important and influential Asian leader. 'Pedoman' on 28th May suggested that President Nixon would learn from President Soeharto how to handle students, while 'Api Pantjasila' on 30th May saw the meeting as one between an American President 'under strong attack by the American public and leaders, as well as the majority of the world leaders', and an Indonesian President 'backed not only by the full support of Indonesians, but of so many Asian countries'. There was general agreement that President Soeharto should have used the visit to reaffirm Indonesia's 'free, independent, and active' foreign policy - 'Indonesia is a friend of the U.S., not its ally' ('Harian Kami' 28th May) - to convince President Nixon of the need for the withdrawal of foreign troops as a prerequisite for the solution of Cambodia's problems, and to seek also more American aid. 'What Indonesia cares for is not the military role of the U.S., but her economic role in Asia' ('Merdeka' 25th May). Though some editors had previously worried lest President Soeharto be used by American politicians for their own ends, there was general approval when it was made

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SECRET AUSTEO

Supplement to OCI
Daily Bulletin No. 98/70
Dated 22nd June 1970

INDONESIA : INCREASED MILITARY AID

SECRET AUSTEO

A senior American official has told us that in the financial year commencing 1st July 1970, the United States will treble the value of its Military Assistance Programme (MAP) to Indonesia. This amount was \$5.3 m. in 1969-70. The proposed additional assistance will have a small but useful effect on Indonesia's military and civic action capabilities.

Although much of the US aid is likely to be for spare parts to rehabilitate existing American equipment, and maintenance training programmes, there seems to be some change of emphasis. In addition to equipment to assist with the armed forces Civic Action programme they are also to receive some arms. Assistance is also envisaged for the rehabilitation of aircraft of US origin, especially transport aircraft; some training aircraft and naval patrol and landing craft may be provided.

Indonesia has bought only small quantities of military supplies, mainly spare parts, in recent years, including some from the USSR and Eastern European communist countries. The US MAP programme (which has continued since the early 1950s) is, however, currently the only material foreign military assistance being received.

Mr. McLeannan → K

The US Embassy at Jakarta believe that the Russians have been deliberately withholding spare parts from the Indonesians even when they have had the cash to pay for them.

Mr. McLeannan

*TKS - DEI informed
CAB. in Edgworth*

ADUCC

SECRET AUSTEO

SUHARTO 6/1
1ST LD UPI-099X (PVS ANAHEIM)
SAN FRANCISCO MAY 31 (UPI)--INDONESIAN PRESIDENT SUHARTO,
WELCOMED BROADLY AT A WELCOMING CROWD WAVING AMERICAN AND
INDONESIAN FLAGS, ARRIVED TODAY ON THE LAST STOP OF HIS OFFICIAL
STATE VISIT TO THE UNITED STATES.

SUHARTO AND HIS WIFE, WHO WAS DRESSED IN GREEN SILK
AND A GOLD SASH, ARRIVED WITH THEIR PARTY ABOARD AN AMERICAN
PRESIDENTIAL JET AND WERE GREETED BY MAYOR JOSEPH ALIOTO, FORMER
CALIFORNIA GOV. EDMUND G. BROWN AND OTHER DIGNITARIES.

+I AM DELIGHTED TO BE ABLE TO SEE THE BEAUTY OF THIS
WORLD-FAMOUS CITY,+ SUHARTO SAID. HE NOTED THAT THE FIRST
AMERICAN TRADE MISSION TO INDONESIA AFTER HIS REGIME WAS INSTALLED
IN 1967 CAME FROM SAN FRANCISCO.

ALIOTO PRAISED THE INDONESIAN NATION, CALLING IT +A GREAT
STABILIZING FORCE IN AN AREA WHERE THERE IS MUCH BELLIGERENCE.+

WELL-WISHERS, MANY OF INDONESIAN ANCESTRY, LINED UP
TO GREET THE PRESIDENT AND HIS ENTOURAGE. SEVERAL OF THEM
EMBRACED THE PRESIDENT.

A SIGN READ +SELAMAT KATANG+--WELCOME IN THE INDONESIAN
LANGUAGE.

SUHARTO WILL DELIVER AN ADDRESS OF +INTERNATIONAL SIGNIFICANCE+
AT A DINNER MONDAY NIGHT. HIS PARTY WILL DEPART FOR HOME TUESDAY
MORNING.

OTHER HIGHLIGHTS OF HIS VISIT TO THE AREA INCLUDE A TOUR OF
SHIPPING FACILITIES AT THE PORT OF OAKLAND AND A VISIT TO THE
DAIMOND RANCH NEAR MODESTO IN CALIFORNIA'S CENTRAL VALLEY.

EARLIER IN THE DAY, SUHARTO AND HIS PARTY VISITED DISNEYLAND
IN SOUTHERN CALIFORNIA, WHERE HE WAS GIVEN THE KEY TO THE
FAMOUS ENTERTAINMENT SITE BY MICKEY MOUSE.

PICKUP 3RD PGH: SUHARTO, WHO
AL/10:42A/UPI-180W

F → 3034/11/161

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INFORMATION SECTION • EMBASSY OF INDONESIA • 2020 MASSACHUSETTS AVENUE, N.W., WASHINGTON, D. C. 20036 • 293-1745

ADDRESS BY

*Mr. Mc Lennan,
Looks more like
young than ours.
Gould*

HIS EXCELLENCY SOEHARTO

PRESIDENT OF THE REPUBLIC OF INDONESIA

AT THE NATIONAL PRESS CLUB

WASHINGTON D.C.

MAY 27, 1970

Mr. Chairman,
Honorable Members,
Distinguished guests,

First of all, I would like to express my gratitude to you for your invitation to attend this very pleasant luncheon meeting. When a few months ago it was proposed to me that I speak before the National Press Club in Washington D.C., an institution of considerable reputation abroad, I readily accepted this valuable opportunity to meet you.

I have come to the United States - and this is my very first visit - at the gracious invitation of President Nixon. I deemed it only proper to reciprocate the honor accorded to the Indonesian people by the first visit of an

American President to our country, ten months ago. But more than merely paying a return visit, I have come to the United States as a friend and as one eager to further strengthen our bonds of friendship and mutual understanding with this country, to exchange views with its leaders as well as with its private citizens in all walks of life; to learn to know all those who have made this American nation the great nation it is today. Of course, in trying to convey the views and aspirations of our people, while at the same time endeavouring to perceive the spirit and the way of life of the American nation, I cannot personally meet and speak to all Americans.

But I am convinced, that the privilege I have today to talk to you and to have a dialogue with you, Members of the National Press Club, will have the same effect as if I would speak to the entire American people. Perhaps my assumption is too far-fetched; I am confident, however, that you will not disappoint my hopes.

It is often said that the Press is the fourth estate, the fourth power in the organization of the State. This view may not be entirely truthful; but to wholly discount its implication is to reject reality.

The responsibility of the world press today is part of the responsibility of man towards humanity.

The tremendous advances of modern communications technology have made it possible not only to monitor the daring journey of the astronauts to the moon through the communications center in Houston, but also to bring the account of their exploits, in all its anxiety, emotion and pride, to every man in all corners of the world. The agony of war in various parts of the globe, the activity of international conferences and other important events everywhere, can now be pub-

licized to people all over the world, through television, radio and the press, in a matter of a few hours, or a day at the latest.

But it is the irony of our times, that while the technical means of communications have developed at an astounding rate, communication between people, between nations, between the souls of men, have lagged behind.

It would seem to me, that to nurture and develop communication between peoples, is now more than ever the duty and challenge facing all of us, and especially you, who have made it your professional avocation.

Indeed, Man's aspirations are the same the world over. The Founding Fathers of America have given expression to a part of these aspirations, in enunciating it as the right to "Life, Liberty and the pursuit of Happiness." These rights are irrevocable because they are the inalienable rights of all men who are created equal by God Almighty. The American nation has become great because it defends, implements, and benefits from these principles.

We respect your principles, we understand them, because we understand American history, the history that has given birth to the American nation and its ideals.

Not only do we appreciate these principles, but we in Indonesia apply them too and work towards the same aims.

169 years after your Declaration of Independence - in 1945 - the Indonesian people proclaimed that: "Independence is the right of all peoples, and therefore colonialism should be eradicated from this earth, as it is against the principles of humanity and justice."

We have enunciated these principles - as in the case of the American people in their Declaration of Independence - because of our history; for 350

years under colonial rule, the Indonesian people suffered in darkness, their opportunity to develop limited, their self-esteem trodden, their riches exploited.

Indonesia's nationalism is clearly a reaction to foreign oppression. It constitutes a force that gives us the will to live and restores to us our sense of identity and self-esteem; at the same time it provides us with a moral basis. Our nationalism is not a nationalism in the narrow sense; Independence and national strength shall not be used to enforce your will upon other peoples; on the contrary, on the basis of nationalism we should try to co-operate with other nations to bring about peace and prosperity for all.

Besides nationalism, our national identity is also a source of strength to us.

The national identity of a people is indeed not a simple matter. It encompasses all the values that are held dear by a people, and which were handed down by traditional heritage and history; it shapes a people's outlook on life and determines its aspirations as to the way of life of the future.

Every nation of course has its own identity. The identity of the American people is known as the "American way of life." We too have a national identity of our own.

In fact, Indonesia's identity is summed up in the Pantja Sila, our State Philosophy consisting of the unity of five principles: Belief in God, Just and Civilized Humanity, the Unity of Indonesia, Democracy which is guided by inner wisdom arrived at through consultation amongst representatives, and Social Justice for the entire people.

This then is our view on life, our way of viewing and evaluating affairs and events, the basis on which we solve our problems, internal as well as external

ones, and our guidance in social life.

Can such an attitude be termed as narrow-minded? Or one divorced from reality? I do not think so. We are living in a world of realities; a thousand and one problems confront us, in our own countries and in the world at large.

How could it be possible for us to face the increasingly complex problems of today, without a distinct philosophy on life? Without it, we would surely be drifting aimlessly about.

But because we have the Pantja Sila, we have succeeded in maintaining ourselves, despite the many internal turbulences we have experienced since our independence, both those inspired by ideologies of the ultra-left as well as of the extreme right; we have also succeeded in overcoming those disturbances on the basis of our own strength.

Being deeply rooted in the consciousness of the Indonesian people, it is the Pantja Sila that has given us the fundamental strength to withstand the pull of western as well as eastern ideology, ever since we achieved our independence.

The Indonesian people take genuine pride in the strength of their conviction not to align themselves to either of the opposing blocs; and God willing, we will be able to preserve and hold firmly to this conviction. The Indonesian people are convinced, that only by taking this stand they can contribute effectively to the efforts to attain world peace in general and stability in the Southeast Asia region in particular.

It is on the basis of this attitude also that Indonesia, together with a number of other Asian countries, recently convened a Conference in Djakarta on the question of Cambodia. I think there is no more need for me to elaborate on the latest developments that have brought disaster to the Cambodian people; nor do I have to dwell in length on the results achieved by that Conference.

I only like to stress that what we have done is to endeavour to open the way towards solving the Cambodian conflict in an objective and realistic manner and with a just end result for the Cambodian people in mind. We have tried to contribute our share in helping safeguard the sovereignty, integrity, and neutrality of the Khmer people, to which they are fully entitled; we have tried to prevent the spreading of war, for the sake of peace and stability in Southeast Asia, to which all nations of the region are entitled.

For tens, nay hundreds of years, the Indonesian people have fought for their national independence. It was not just political independence we were after; but through the political freedom gained we strived to attain material and spiritual happiness, rapid economic progress and material well-being for all our people. We aspired to become a developed nation capable of contributing its proper share to the international community.

At this present moment, these desires and aspirations are still beyond our capacity to fulfill. During twenty years of independence, our economic situation has in fact grown steadily worse, with development of science and technology virtually frozen, resulting in our falling more and more behind the progress of other nations.

This state of affairs is partly caused by the many internal turbulences we have experienced, but partly also by gross neglect in economic management, in scientific and technological development, as well as by the ineffective utilisation of our economic potentials - especially by foreign expertise - in the development of the abundant natural resources we possess.

The events at the end of 1965 - the abortive coup by the Indonesian Communist Party - which was a tragedy for all of us, can in a sense also be con-

sidered as a blessing in disguise for the Indonesian nation, in that it brought about a radical change in our attitude and efforts to develop our nation.

Since then, we have started to build a new Indonesia, on the basis of our traditional principles which were restored in their pure application.

A great many efforts have still to be made in building a new Indonesia, and our task is to engage speedily in national rehabilitation and reconstruction.

Political and economic stabilization had to be reached in order to facilitate development in a real sense; the people had to be given more freedom to act and participate in the process of nation-building. The walls of isolation, which have hindered our economic relations and co-operation with the outside world, had to be torn down in order to promote our efforts in economic stabilisation and development.

Yes, we continue to be tempted by idealistic visions; yet we have to remain realistic. A nation's prosperity, national dignity and self-esteem, world peace, cannot be achieved merely by high-sounding slogans. They have to be struggled for through hard work, however disappointing initial achievements may prove to be. They are attained through careful planning, based on a realistic assessment of present capabilities; and they should be borne by people's aspiration.

Because so much is still to be done, we have to determine our national priorities. At present, we have accorded first priority to economic development. The Five-Year Development Plan which we have prepared in a pragmatic and realistic way has now entered its second year.

The main targets of this Plan are very modest: to increase the people's income - which right now is still below \$100 per capita - and to lay the necessary foundations for the next stage of development. By selecting the agricultural

sector as the central point of our development, we hope those targets can be achieved, for 65% of the Indonesian people are engaged in this sector.

At present we are hard at work to increase food production, especially rice, through intensification and extensification of farming methods, having as a target self-sufficiency in rice needs by the end of the present Five Year Plan (1974). Development in other sectors - infrastructure, industry etc., - are directed towards supporting the realization of our targets in the agricultural sector.

Apart from the development activities by the Government, the opportunity is opened wide for investment by foreign private capital under equitable conditions, to develop Indonesia's vast natural resources in the fields of mining, manufacturing, forestry et al. A great number of foreign enterprises - among them from the United States - are now active in Indonesia.

The development of a nation is not a purely economic endeavour. Nation building also implies the development of basic values that are considered vital to the nation, the establishment of a harmonious social system, the release of the creative energies and talents inherent in the people, the fostering and development of those institutions and instrumentalities needed for the life as a Nation and a modern state.

Permit me to mention but a few of the things that we are doing in this respect. Apart from our efforts at economic development, we have stressed the restoration of democratic life based on the rule of law. This is not only because our Pantja Sila demands it but also because we realize that the presence of democracy and justice and the rule of law will prove to be the main motivating factors capable of enhancing our efforts in all fields in which we are at present engaged.

Freedom of expression through the press and other mass media, freedom

of speech, and the right to demonstrate, can now be exercised freely, as long as these manifestations do not disturb public order and remain within the confines of the law. We are now also preparing the holding of general elections to be held next year.

The democracy which we have to develop is a democracy that is based upon a system that is rooted in the traditions of the Indonesian people; a democracy which in effect is firmly entrenched in the villages, i.e. mutual consultation in order to arrive at a consensus. It is this basic form of democracy which we at present are trying to develop and adjust to the modern requirements of this age, in order that it may be able to adapt itself to the progress of time. Democracy to us does not only mean the freedom to express our views; it also implies the necessity to harmonize divergent views and synchronize solutions on common problems. Freedom must be accompanied by responsibility; and responsibility will only be assumed when it is accompanied by freedom.

Now - after more than three years of hard struggle - we can point at some results; at the very least, we have succeeded in creating political and economic stability; internal security and tranquility have been restored; the inflation which was raging in 1966 has been curbed and the value of our currency - the Rupiah - has regained considerable stability; social life has practically returned to normal. Although these results constitute only the beginning of movement and a hopeful starting point for greater and more productive efforts in furthering our economic development, they have given us more confidence in our own ability, and hope that we may achieve even more in the future.

The progress we have made so far is, of course, of the greatest importance to ourselves. But I do believe that a stable and relatively prosperous Indon-

esia will contribute also to the stability and the security of the Southeast Asian region in general.

Many factors have accounted for the success that we have achieved. As I just mentioned, it was in the first place due to the hard work and untiring efforts of our people to improve their own lot with the limited capabilities available.

In this connection, the economic and technical assistance that have been provided by the countries of the IGGI and the Paris Club - of which America has been the biggest donor- and other International organisations such as the IMF, the World Bank and other U.N. bodies, proved very instrumental indeed in boosting our capacity to undertake those efforts of rehabilitation and development.

Through you, Gentlemen, I would like to convey to the American people the most sincere gratitude of the Indonesian people for the assistance you have given us, the more so because it was given to us at a time and in a form most suitable to our needs.

If I only mention here the economic aid for the IGGI and Paris Club countries, I do not mean to imply that we are closing the door to co-operation with other developed countries in Eastern Europe.

As far as we are concerned, economic relations and co-operation should be non-discriminatory in nature and proceed on the basis of equality, mutual benefit and within the limits of our respective capabilities.

We have always entertained the hope that economic co-operation with the countries of East Europe could proceed more smoothly than in the past, based on the principles I have just mentioned earlier.

Ladies and Gentlemen,

Despite our pre-occupation with internal problems and development, we

cannot be blind and remain passive towards the serious developments in the world today, especially those that affect our immediate surroundings, Southeast Asia.

In my view, the most fundamental question that confronts us today remains the problem of how to maintain peace and to ensure the generalisation of economic prosperity in the world.

It is so easy at any moment to light the fires of war that can cause untold suffering and tragedy; but to attain peace and the peaceful development of nations, so many preparations are needed, so many long and tedious conferences and procedures to follow.

I have often complained about this, but I do not despair.

Indonesia has always tried to face up to this reality in a practical manner, by employing the capabilities it possesses to find solutions in the shortest possible time.

Our foreign policy is a policy of peace and peaceful development on the basis of friendly co-operation. On the basis of mutual respect for each other's sovereignty and independence, and non-interference in each other's internal affairs, we desire to be friends with all nations in the world and endeavour to strengthen mutual understanding and co-operation for mutual benefit, without discriminating against any ideology or political system.

In Southeast Asia, we are trying to promote more meaningful co-operation among neighbouring countries by establishing the Association of Southeast Asian Nations, comprising Singapore, Malaysia, Thailand, the Philippines and Indonesia. Through this organization we are developing economic, social and cultural co-operation in the interest of our common progress and on the basis of common strength and equitable contribution, without sacrificing our individual identities and

sovereignties. Physically, we have not yet achieved very much, although this does not mean that the Association has been idling away its time. Those projects within our capacity to implement, have been started. Our common belief in ASEAN's capability to succeed, however small its present capacity may be, is to us an invaluable asset. Confidence in ourselves, the sense of common destiny and our common conviction that the future of a new Southeast Asia should be in the hands of the nations of Southeast Asia themselves, are the aspirations we share in looking into the future.

I am convinced that a Southeast Asia which is capable of managing its own affairs - which in fact is its birthright and its duty - will be able to give a more effective contribution to world peace. At the very least, such a Southeast Asia would lessen the tensions in the world, which today are on the verge of exploding.

A discussion of Southeast Asian affairs before a forum such as yours today, would not be complete, if I did not also touch upon a problem which is of grave concern, not only to the peoples of the region that includes Indonesia, but also to far-off countries such as the United States. I am referring to the Vietnam war, which now has spread to involve the whole of Indo-China.

It was with a sense of relief that the Indonesian people greeted the decision of the American Government to withdraw its troops from Vietnam and the convening of the Paris peace talks. We hope that peace will soon be re-established in our region and that subsequently Asian problems can be left to the Asian nations themselves to solve, without outside interference from whatever quarter. We also hope that it will become possible to establish national Governments that are in conformity with the aspirations and wishes of its own people, without coercion or pressure from outside.

The withdrawal of American troops from mainland Asia, however, should not mean the arrival of other foreign troops to take their place. This must be prevented.

If we really desire peace, then foreign intervention in the mutual affairs of a nation and the physical occupation of a nation by another should be stopped. In its place there should be increased co-operation and mutual assistance among nations, based on mutual regard for each other's sovereignty.

In this respect, the big powers and the more advanced nations in the world have the obligation to assist the weaker and the developing countries; their assistance should take the form of goods and services in accordance with the requirements of the recipient countries and should not consist of troops. It should be extended without ulterior motives designed to enchain the recipient country to the whims and political dictates of the donor state, but solely directed to assist the receiving country in its effort to augment its own capabilities.

It is on these principles alone that the weak and small nations will be able to stand on their own feet, develop their national capability to resist, and the capacity to defend themselves against any threats, whether they come from without or from within; take the form of threats because of bad economic conditions; infiltrations on political/ideological grounds or an open military threat from beyond its borders.

In this way, all of us, and especially the major powers of the world, will gain, not through war but by the fostering of peace and prosperity.

Ladies and Gentlemen,

I am aware that in talking about the problems we, and perhaps other South East Asian nations face, the American people too are at present in an agonizing process of re-ordering their national and international priorities.

As a friend, I cannot do otherwise but extend my appreciation for your

efforts to solve these problems.

Indeed, all of us are searching for answers to the problems that are being faced by our respective societies. It is imperative that all of us, big or small, rich or poor, find those answers, for all of us have a common stake in the future, and in an international order in which all of us can survive as nations in the decade, nay centuries to come. But we should also realize that many of these problems cannot be solved by just one nation alone. For many of these problems, solutions have to be worked out by all nations together. And it is here where friendship, mutual understanding, mutual respect and co-operation, as exist in freedom and equality between our two countries, will be of decisive value.

I thank you.

3034/11/161

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DEPARTMENT OF EXTERNAL AFFAIRS

INWARD CABLEGRAM

CT 3

I.68212

FROM

TOD 22.6.70..2028 LT

AUSTRALIAN EMBASSY
WASHINGTON

TOR 23.6.70..1034 LT

3637

SECRET

ADDRESSED CANBERRA 3637, REPEATED DJAKARTA OP589

INDONESIA .. U.S. MAP

PLEASE REPEAT OUR 3604 TO DJAKARTA.

E.A.

SEC DEP SEC FAS(1) DL INT SEA M AND IO

SECRET

SECRET

3034 11/161

DEPARTMENT OF EXTERNAL AFFAIRS

INWARD CABLEGRAM

305

BML 3

I. 64488

FROM

TOD 11.06.70...1846 LT

AUSTRALIAN EMBASSY
WASHINGTON

TOR 12.06.70...0913 LT

3427

CONFIDENTIAL

I PRESENTED MY CREDENTIALS TODAY TO PRESIDENT NIXON.
THE CHIEF OF PROTOCOL (MOSBACHER) AND DEPUTY ASSISTANT
SECRETARY OF STATE FOR EAST ASIAN AND PACIFIC AFFAIRS (WINTHROP
BROWN) WERE PRESENT AT THE SUBSEQUENT DISCUSSIONS.

2. THE PRESIDENT EXPRESSED HIS WARM ADMIRATION FOR AUSTRALIA
AND THE ROLE THAT AUSTRALIA WAS PLAYING AND FOR THE WAY THE
GOVERNMENT HAD STOOD UP FOR WHAT IT BELIEVED TO BE THE RIGHT
POLICIES IN VIETNAM AND THE PACIFIC.

HE ASKED ME TO TELL THE PRIME MINISTER THAT THE APPRECIATED
THE OPPORTUNITY FOR MR GORTON AND HIM TO BE IN PERSONAL TOUCH
ON MATTERS OF CONCERN TO THE TWO GOVERNMENTS.

HE WAS VERY CONSCIOUS OF THE NEED TO KEEP MR GORTON
INFORMED PARTICULARLY ON TROOP WITHDRAWALS FROM VIETNAM AND HE
FELT THAT A CONFIDENTIAL RELATIONSHIP HAD BEEN ESTABLISHED WHICH
ENABLED HIM TO SAY THINGS TO THE AUSTRALIAN PRIME MINISTER THAT
HE COULD NOT SAY TO EVERYONE ELSE.

3. THE PRESIDENT SAID THAT QUITE APART FROM VIETNAM HE WAS
VERY APPRECIATIVE OF THE ROLE THAT AUSTRALIA WAS PLAYING ELSEWHERE
IN SOUTH-EAST ASIA AND PARTICULARLY OUR CONTINUED PRESENCE IN
SINGAPORE AND MALAYSIA.

HE PERSONALLY WOULD LIKE TO SEE THE BRITISH DO MORE THERE BUT
HE HOPED THAT EVEN IF BRITAIN WITHDREW AUSTRALIA WOULD NOT
FOLLOW SUIT.

HE WAS ALSO GLAD OF OUR EFFORTS TO KEEP INDONESIA
ON THE RAILS AND INFLUENCE IT.

IF INDONESIA WERE TO FALL INTO HOSTILE HANDS IT WOULD
BE A DAGGER THRUST INTO AN AREA THAT WAS IMPORTANT TO THE UNITED
STATES AND EVEN MORE TO AUSTRALIA.

THE RECENT VISIT TO THE UNITED STATES OF PRESIDENT SUHARTO
HAD BEEN VERY SUCCESSFUL AND NIXON HAD BEEN IMPRESSED BY HIM
AS A MAN WHO WAS MAKING A REAL EFFORT TO GIVE LEADERSHIP TO
HIS PEOPLE.

.../2..

CONFIDENTIAL
CONFIDENTIAL
CONFIDENTIAL

INWARD CABLEGRAM

2.

I.64488

THE UNITED STATES DID NOT MIND IF INDONESIA CONTINUED TO CALL ITSELF NON-ALIGNED OR NEUTRAL SO LONG AS IT FOLLOWED POLICIES AS AT PRESENT WHICH HAD THE EFFECT OF CHECKING THE COMMUNIST EXPANSION.

PRESIDENT NIXON EXPRESSED HIS GRATIFICATION AT THE RECENT DJAKARTA CONFERENCE ON CAMBODIA.

IT WAS MOST VALUABLE TO HAVE HAD ASIAN COUNTRIES TAKING THE STAND THAT THE LON NOL GOVERNMENT AND NOT SIHANOUK WAS THE GOVERNMENT OF CAMBODIA AND WAS ENTITLED TO HAVE ITS INDEPENDENCE PRESERVED.

WHEN AN ASIAN INITIATIVE LIKE THAT WAS TAKEN, IT MADE A BIGGER IMPACT UPON THE REST OF THE AFRO/ASIANS.

4. IN REGARD TO JAPAN PRESIDENT NIXON SAID THAT "WE" HAD BUILT IT UP AND HAD CREATED A COLOSSUS.

THERE WAS SOME FEAR OF JAPAN IN ASIA (AND HE MENTIONED PARTICULARLY INDONESIA) AND SOME PEOPLE IN ASIAN COUNTRIES FEARED THAT JAPANESE ECONOMIC ACTIVITY WOULD TAKE THE WRONG FORM AND LEAD TO A DEGREE OF DOMINANCE.

THIS WAS QUITE APART FROM THE MILITARY ASPECTS.

THE UNITED STATES WAS TRYING TO INFLUENCE THE JAPANESE SO THAT THEY WOULD MAKE A GREATER ECONOMIC EFFORT TO ASSIST SOUTH-EAST ASIAN COUNTRIES BUT IN A WAY THAT DID NOT AROUSE FEARS.

5. YET IT WAS ESSENTIAL THAT JAPAN SHOULD BE INVOLVED IN THINGS. PRESIDENT NIXON SAID THAT HE LOOKED ON JAPAN AS BEING IN MANY WAYS IN A SIMILAR POSITION TO WEST GERMANY.

IN EUROPE THERE WAS NATO.

MANY PERSONS SAID LOOSELY THAT THE PRIMARY FUNCTION OF NATO WAS THE DEFENCE OF WESTERN EUROPE BUT, THOUGH HE DID NOT ALTOGETHER DISMISS THAT, PRESIDENT NIXON SAW THE PRINCIPAL VALUE OF NATO AS PROVIDING A HOME FOR WEST GERMANY.

MEMBERSHIP OF NATO AND ALL THE RELATIONSHIPS AND CONTACTS THAT WERE ASSOCIATED WITH IT KEPT WEST GERMANY FROM DRIFTING TOWARDS THE SOVIET UNION.

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DEPARTMENT OF EXTERNAL AFFAIRS

INWARD CABLEGRAM

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IT WAS THEREFORE IMPORTANT FOR THE UNITED STATES AND AUSTRALIA TO DO WHAT THEY COULD TO SEE THAT JAPAN REGARDED ITSELF "AS PART OF OUR FAMILY".

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PLIMSOLL

MIN. AND DEPT. E.A.
MIN. AND DEPT. DEFENCE
J.I.O.
D.C.O.
P.M.'S

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INWARD CABLEGRAM

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FROM

TOD 16.6.70...1853 LT

AUSTRALIAN EMBASSY
WASHINGTON

TOR 17.6.70...1010 LT

3511 SECRET

INDO CHINA.

I HAD AN INITIAL TALK TODAY WITH MARSHALL GREEN (ASSISTANT SECRETARY OF STATE FOR THE FAR EAST).

2. GREEN SAID THAT HE HAD BEEN PRESENT YESTERDAY AT A DISCUSSION WHICH THE PRESIDENT HAD HAD WITH SENIOR AMERICANS CONCERNED WITH CAMBODIA AND VIETNAM.

THE PRESIDENT HAD ASKED ABOUT PROGRESS IN GETTING MORE MATERIAL SUPPORT FOR CAMBODIA FROM OTHER COUNTRIES PARTICULARLY IN THE MILITARY FIELD BUT THERE HAD BEEN NO SPECIAL DISCUSSION OF AUSTRALIA IN THAT RESPECT.

THE CAPACITY OF THE UNITED STATES TO DO MORE WILL BE VERY MUCH AFFECTED BY THE NUMBER OF OTHER COUNTRIES WHO ARE DOING SOMETHING AND BY THE EXTENT OF THEIR HELP.

THE PRESIDENT ALSO FELT THAT THE MILITARY SITUATION IN LAOS WAS BETTER THAN IT HAD AT ONE TIME BEEN FEARED WOULD BE THE CASE.

3. GREEN CONSIDERS THAT THE SITUATION IN CAMBODIA WILL REMAIN MUCH AS AT PRESENT UNTIL AT LEAST THE END OF THE YEAR.

ALL AMERICAN FORCES WILL BE OUT BY THE END OF THIS MONTH.

HE EXPECTS MOST OF THE SOUTH VIETNAMESE FORCES TO BE WITHDRAWN ALSO BUT SOUTH VIETNAMESE FORCES WILL BE POSTED ALONG THE BORDER IN SUCH A WAY THAT THEY COULD MOVE ACROSS FROM TIME TO TIME TO DISRUPT ENEMY ATTEMPTS TO RE-ESTABLISH BASES AND SUPPLY ROUTES.

THE PARROT'S BEAK IN PARTICULAR WILL BE OPEN TO SOUTH VIETNAMESE FORAYS OF THIS NATURE.

GREEN THINKS THAT THE VERY FACT THAT ATTACKS CAN BE MADE BY THE SOUTH VIETNAMESE WILL DETER THE NORTH FROM SOME ACTIONS WHICH IT MIGHT OTHERWISE TRY TO TAKE IN CAMBODIA.

THERE WILL ALSO BE RIVERINE EXPEDITIONS FROM TIME TO TIME INTO CAMBODIA BY THE SOUTH VIETNAMESE.

GREEN THOUGHT THAT IT WOULD BE POSSIBLE TO DENY THE COMMUNISTS MOST OF THE SUPPLIES THEY HAD BEEN RECEIVING THROUGH SIHANOUKVILLE

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DEPARTMENT OF EXTERNAL AFFAIRS

INWARD CABLEGRAM

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AND THE CAMBODIAN COAST AND THIS WOULD BE A SEVERE SET-BACK TO THE NORTH.

UNITED STATES NAVAL PATROLS AND INTERCEPTIONS WOULD CONTINUE ALONG THE SOUTH OF CAMBODIA.

IN NORTH-EAST CAMBODIA UNITED STATES THINKING HAD HITHERTO BEEN MAINLY IN TERMS OF THE USE OF AIR POWER TO DISRUPT AND DENY COMMUNIST SUPPLIES BUT GREEN CONSIDERED THAT THIS WAS NOT EFFECTIVE AND THAT MORE THOUGHT WOULD HAVE TO BE GIVEN TO ACTION ON THE GROUND.

IN THE MEANTIME THE TRAINING OF CAMBODIAN SOLDIERS BY THAILAND AND SOUTH VIETNAM WOULD PROCEED OF BOTH CAMBODIAN ETHNIC GROUPS WITHIN THOSE TWO COUNTRIES AND ALSO OF CAMBODIANS FROM CAMBODIA ITSELF.

4. GREEN INDICATED THAT THE UNITED STATES GOVERNMENT'S OBJECTIVE CONTINUED TO BE TO WITHDRAW ITS FORCES IN A WAY AND AT A RATE WHICH WOULD GIVE THE SOUTH VIETNAMESE PEOPLE A GENUINE CHANCE OF SURVIVING.

PRESIDENT NIXON REMAINED FIRMLY OPPOSED TO COMMITTING HIMSELF TO ANY TIMETABLE.

HE WOULD BE MAKING AN ADDRESS TO THE NATION ON 15TH JULY WHICH WOULD REVIEW THE SITUATION IN ITS WIDEST CONTEXT.

GREEN THOUGHT THAT THE PRESIDENT MIGHT VERY WELL ANNOUNCE THAT BECAUSE OF THE SUCCESS OF THE CAMBODIAN OPERATION HE WOULD BE ABLE TO MAKE A BIGGER REDUCTION IN FORCES THAN HE HAD STATED EARLIER.

GREEN DID NOT THINK THAT THE ADDITIONAL REDUCTION WOULD BE PARTICULARLY LARGE.

BUT IT WAS DEPENDENT UPON HOW THINGS WOULD GO IN CAMBODIA IN THE NEXT FEW WEEKS AND THERE WAS NO DECISION YET.

5. GREEN SAID THAT IN ITS NEXT FINANCIAL YEAR THE UNITED STATES WOULD TREBLE ITS MILITARY ASSISTANCE TO INDONESIA SO AS TO ASSIST NOT ONLY IN CIVIC ACTION BUT ALSO IN COUNTER INSURGENCY.

IT WOULD INCLUDE REPAIRING AIRCRAFT SUCH AS C-130S THAT WERE AT PRESENT OUT OF ACTION.

THERE WOULD PROBABLY NOT BE MONEY TO BUY HELICOPTERS.

TWO LANDING CRAFT WORTH ABOUT DOLLARS 3 MILLION WOULD BE LENT TO

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INDONESIA AND THEY WOULD BE USEFUL IN MOVING TROOPS BETWEEN ISLANDS.
(THE STATE DEPARTMENT WILL GIVE US MORE DETAILS).

PRESIDENT SUHARTO AND THE INDONESIA MILITARY WERE MORE IN FAVOUR OF QUICK INDIRECT MILITARY HELP FOR CAMBODIA THAN WAS ADAM MALIK WHO WOULD PREFER TO GO A LITTLE SLOWER.

THE INDONESIANS WERE GOING TO RECOMMENCE PRODUCTION OF AK47 AMMUNITION WHICH WAS NEEDED FOR GUNS BEING CAPTURED FROM THE COMMUNISTS IN INDO CHINA AND FOR WHICH THE ONLY AVAILABLE SUPPLY OUTSIDE COMMUNIST COUNTRIES WAS AT PRESENT FINLAND.

6. GREEN SAID HE HAD A FEELING THAT THE PROSPECTS OF A NEW MOVE TOWARDS A SETTLEMENT IN THE NEXT COUPLE OF MONTHS HAD INCREASED.

HE FELT THAT BECAUSE OF THEIR FEELINGS TOWARDS THE CHINESE THE RUSSIANS WOULD LIKE TO SEE A SETTLEMENT.

GREEN REFERRED TO THE TALK BLAKENEY HAD HAD IN MOSCOW WITH KAPITZA (MOSCOW'S TELEGRAM NO.374 TO CANBERRA AN ACCOUNT OF WHICH THE AMERICANS HAD ALSO HAD THROUGH THEIR EMBASSY IN MOSCOW).

HE SAID THAT KAPITZA'S REMARKS ABOUT A POSSIBLE SETTLEMENT HAD BEEN DRAWN TO THE ATTENTION OF PRESIDENT NIXON.

7. GREEN ALSO THINKS THAT THOUGH PEKING WANTS A CAMBODIA SUBSERVIENT TO ITSELF IT DOES NOT WANT CAMBODIA TO BE UNDER THE CONTROL OF HANOI.

8. HE THINKS THAT THE WARSAW TALKS BETWEEN THE USA AND PEKING ARE UNLIKELY TO BE RESUMED AT PRESENT.

IN HIS OPINION PEKING WOULD CONSIDER THAT THEIR RESUMPTION WOULD PLAY INTO THE HANDS OF THE RUSSIANS.

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A/MIN. AND DEPT E.A.
MIN. AND DEPT DEFENCE
J.I.O.
D.C.O.
P.M'S

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DEPARTMENT OF EXTERNAL AFFAIRS

INWARD CABLEGRAM

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I. 64488

FROM

TOD 11.06.70...1846 LT

AUSTRALIAN EMBASSY
WASHINGTON

TOR 12.06.70...0913 LT

3427 CONFIDENTIAL

I PRESENTED MY CREDENTIALS TODAY TO PRESIDENT NIXON.
THE CHIEF OF PROTOCOL (MOSBACHER) AND DEPUTY ASSISTANT
SECRETARY OF STATE FOR EAST ASIAN AND PACIFIC AFFAIRS (WINTHROP
BROWN) WERE PRESENT AT THE SUBSEQUENT DISCUSSIONS.

2. THE PRESIDENT EXPRESSED HIS WARM ADMIRATION FOR AUSTRALIA
AND THE ROLE THAT AUSTRALIA WAS PLAYING AND FOR THE WAY THE
GOVERNMENT HAD STOOD UP FOR WHAT IT BELIEVED TO BE THE RIGHT
POLICIES IN VIETNAM AND THE PACIFIC.

HE ASKED ME TO TELL THE PRIME MINISTER THAT THE APPRECIATED
THE OPPORTUNITY FOR MR GORTON AND HIM TO BE IN PERSONAL TOUCH
ON MATTERS OF CONCERN TO THE TWO GOVERNMENTS.

HE WAS VERY CONSCIOUS OF THE NEED TO KEEP MR GORTON
INFORMED PARTICULARLY ON TROOP WITHDRAWALS FROM VIETNAM AND HE
FELT THAT A CONFIDENTIAL RELATIONSHIP HAD BEEN ESTABLISHED WHICH
ENABLED HIM TO SAY THINGS TO THE AUSTRALIAN PRIME MINISTER THAT
HE COULD NOT SAY TO EVERYONE ELSE.

3. THE PRESIDENT SAID THAT QUITE APART FROM VIETNAM HE WAS
VERY APPRECIATIVE OF THE ROLE THAT AUSTRALIA WAS PLAYING ELSEWHERE
IN SOUTH-EAST ASIA AND PARTICULARLY OUR CONTINUED PRESENCE IN
SINGAPORE AND MALAYSIA.

HE PERSONALLY WOULD LIKE TO SEE THE BRITISH DO MORE THERE BUT
HE HOPED THAT EVEN IF BRITAIN WITHDREW AUSTRALIA WOULD NOT
FOLLOW SUIT.

HE WAS ALSO GLAD OF OUR EFFORTS TO KEEP INDONESIA
ON THE RAILS AND INFLUENCE IT.

IF INDONESIA WERE TO FALL INTO HOSTILE HANDS IT WOULD
BE A DAGGER THRUST INTO AN AREA THAT WAS IMPORTANT TO THE UNITED
STATES AND EVEN MORE TO AUSTRALIA.

THE RECENT VISIT TO THE UNITED STATES OF PRESIDENT SUHARTO
HAD BEEN VERY SUCCESSFUL AND NIXON HAD BEEN IMPRESSED BY HIM
AS A MAN WHO WAS MAKING A REAL EFFORT TO GIVE LEADERSHIP TO
HIS PEOPLE.

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INWARD CABLEGRAM

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THE UNITED STATES DID NOT MIND IF INDONESIA CONTINUED TO CALL ITSELF NON-ALIGNED OR NEUTRAL SO LONG AS IT FOLLOWED POLICIES AS AT PRESENT WHICH HAD THE EFFECT OF CHECKING THE COMMUNIST EXPANSION.

PRESIDENT NIXON EXPRESSED HIS GRATIFICATION AT THE RECENT DJAKARTA CONFERENCE ON CAMBODIA.

IT WAS MOST VALUABLE TO HAVE HAD ASIAN COUNTRIES TAKING THE STAND THAT THE LON NOL GOVERNMENT AND NOT SIHANOUK WAS THE GOVERNMENT OF CAMBODIA AND WAS ENTITLED TO HAVE ITS INDEPENDENCE PRESERVED.

WHEN AN ASIAN INITIATIVE LIKE THAT WAS TAKEN, IT MADE A BIGGER IMPACT UPON THE REST OF THE AFRO/ASIANS.

4. IN REGARD TO JAPAN PRESIDENT NIXON SAID THAT "WE" HAD BUILT IT UP AND HAD CREATED A COLOSSUS.

THERE WAS SOME FEAR OF JAPAN IN ASIA (AND HE MENTIONED PARTICULARLY INDONESIA) AND SOME PEOPLE IN ASIAN COUNTRIES FEARED THAT JAPANESE ECONOMIC ACTIVITY WOULD TAKE THE WRONG FORM AND LEAD TO A DEGREE OF DOMINANCE.

THIS WAS QUITE APART FROM THE MILITARY ASPECTS.

THE UNITED STATES WAS TRYING TO INFLUENCE THE JAPANESE SO THAT THEY WOULD MAKE A GREATER ECONOMIC EFFORT TO ASSIST SOUTH-EAST ASIAN COUNTRIES BUT IN A WAY THAT DID NOT AROUSE FEARS.

5. YET IT WAS ESSENTIAL THAT JAPAN SHOULD BE INVOLVED IN THINGS.

PRESIDENT NIXON SAID THAT HE LOOKED ON JAPAN AS BEING IN MANY WAYS IN A SIMILAR POSITION TO WEST GERMANY.

IN EUROPE THERE WAS NATO.

MANY PERSONS SAID LOOSELY THAT THE PRIMARY FUNCTION OF NATO WAS THE DEFENCE OF WESTERN EUROPE BUT, THOUGH HE DID NOT ALTOGETHER DISMISS THAT, PRESIDENT NIXON SAW THE PRINCIPAL VALUE OF NATO AS PROVIDING A HOME FOR WEST GERMANY.

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ADDRESS BY

HIS EXCELLENCY SOEHARTO

PRESIDENT OF THE REPUBLIC OF INDONESIA

AT THE NATIONAL PRESS CLUB

WASHINGTON D.C.

MAY 27, 1970

Mr. Chairman,

Honorable Members,

Distinguished guests,

First of all, I would like to express my gratitude to you for your invitation to attend this very pleasant luncheon meeting. When a few months ago it was proposed to me that I speak before the National Press Club in Washington D.C., an institution of considerable reputation abroad, I readily accepted this valuable opportunity to meet you.

I have come to the United States - and this is my very first visit - at the gracious invitation of President Nixon. I deemed it only proper to reciprocate the honor accorded to the Indonesian people by the first visit of an

American President to our country, ten months ago. But more than merely paying a return visit, I have come to the United States as a friend and as one eager to further strengthen our bonds of friendship and mutual understanding with this country, to exchange views with its leaders as well as with its private citizens in all walks of life; to learn to know all those who have made this American nation the great nation it is today. Of course, in trying to convey the views and aspirations of our people, while at the same time endeavouring to perceive the spirit and the way of life of the American nation, I cannot personally meet and speak to all Americans.

But I am convinced, that the privilege I have today to talk to you and to have a dialogue with you, Members of the National Press Club, will have the same effect as if I would speak to the entire American people. Perhaps my assumption is too far-fetched; I am confident, however, that you will not disappoint my hopes.

It is often said that the Press is the fourth estate, the fourth power in the organization of the State. This view may not be entirely truthful; but to wholly discount its implication is to reject reality.

The responsibility of the world press today is part of the responsibility of man towards humanity.

The tremendous advances of modern communications technology have made it possible not only to monitor the daring journey of the astronauts to the moon through the communications center in Houston, but also to bring the account of their exploits, in all its anxiety, emotion and pride, to every man in all corners of the world. The agony of war in various parts of the globe, the activity of international conferences and other important events everywhere, can now be pub-

lized to people all over the world, through television, radio and the press, in a matter of a few hours, or a day at the latest.

But it is the irony of our times, that while the technical means of communications have developed at an astounding rate, communication between people, between nations, between the souls of men, have lagged behind.

It would seem to me, that to nurture and develop communication between peoples, is now more than ever the duty and challenge facing all of us, and especially you, who have made it your professional avocation.

Indeed, Man's aspirations are the same the world over. The Founding Fathers of America have given expression to a part of these aspirations, in enunciating it as the right to "Life, Liberty and the pursuit of Happiness." These rights are irrevocable because they are the inalienable rights of all men who are created equal by God Almighty. The American nation has become great because it defends, implements, and benefits from these principles.

We respect your principles, we understand them, because we understand American history, the history that has given birth to the American nation and its ideals.

Not only do we appreciate these principles, but we in Indonesia apply them too and work towards the same aims.

169 years after your Declaration of Independence - in 1945 - the Indonesian people proclaimed that: "Independence is the right of all peoples, and therefore colonialism should be eradicated from this earth, as it is against the principles of humanity and justice."

We have enunciated these principles - as in the case of the American people in their Declaration of Independence - because of our history; for 350

years under colonial rule, the Indonesian people suffered in darkness, their opportunity to develop limited, their self-esteem trodden, their riches exploited.

Indonesia's nationalism is clearly a reaction to foreign oppression. It constitutes a force that gives us the will to live and restores to us our sense of identity and self-esteem; at the same time it provides us with a moral basis. Our nationalism is not a nationalism in the narrow sense; independence and national strength shall not be used to enforce your will upon other peoples; on the contrary, on the basis of nationalism we should try to co-operate with other nations to bring about peace and prosperity for all.

Besides nationalism, our national identity is also a source of strength to us.

The national identity of a people is indeed not a simple matter. It encompasses all the values that are held dear by a people, and which were handed down by traditional heritage and history; it shapes a people's outlook on life and determines its aspirations as to the way of life of the future.

Every nation of course has its own identity. The identity of the American people is known as the "American way of life." We too have a national identity of our own.

In fact, Indonesia's identity is summed up in the Pantja Sila, our State Philosophy consisting of the unity of five principles: Belief in God, Just and Civilized Humanity, the Unity of Indonesia, Democracy which is guided by inner wisdom arrived at through consultation amongst representatives, and Social Justice for the entire people.

This then is our view on life, our way of viewing and evaluating affairs and events, the basis on which we solve our problems, internal as well as external

ones, and our guidance in social life.

Can such an attitude be termed as narrow-minded? Or one divorced from reality? I do not think so. We are living in a world of realities; a thousand and one problems confront us, in our own countries and in the world at large.

How could it be possible for us to face the increasingly complex problems of today, without a distinct philosophy on life? Without it, we would surely be drifting aimlessly about.

But because we have the Pantja Sila, we have succeeded in maintaining ourselves, despite the many internal turbulences we have experienced since our independence, both those inspired by ideologies of the ultra-left as well as of the extreme right; we have also succeeded in overcoming those disturbances on the basis of our own strength.

Being deeply rooted in the consciousness of the Indonesian people, it is the Pantja Sila that has given us the fundamental strength to withstand the pull of western as well as eastern ideology, ever since we achieved our independence.

The Indonesian people take genuine pride in the strength of their conviction not to align themselves to either of the opposing blocs; and God willing, we will be able to preserve and hold firmly to this conviction. The Indonesian people are convinced, that only by taking this stand they can contribute effectively to the efforts to attain world peace in general and stability in the Southeast Asia region in particular.

It is on the basis of this attitude also that Indonesia, together with a number of other Asian countries, recently convened a Conference in Djakarta on the question of Cambodia. I think there is no more need for me to elaborate on the latest developments that have brought disaster to the Cambodian people; nor do I have to dwell in length on the results achieved by that Conference.

I only like to stress that what we have done is to endeavour to open the way towards solving the Cambodian conflict in an objective and realistic manner and with a just end result for the Cambodian people in mind. We have tried to contribute our share in helping safeguard the sovereignty, integrity, and neutrality of the Khmer people, to which they are fully entitled; we have tried to prevent the spreading of war, for the sake of peace and stability in Southeast Asia, to which all nations of the region are entitled.

For tens, nay hundreds of years, the Indonesian people have fought for their national independence. It was not just political independence we were after; but through the political freedom gained we strived to attain material and spiritual happiness, rapid economic progress and material well-being for all our people. We aspired to become a developed nation capable of contributing its proper share to the international community.

At this present moment, these desires and aspirations are still beyond our capacity to fulfill. During twenty years of independence, our economic situation has in fact grown steadily worse, with development of science and technology virtually frozen, resulting in our falling more and more behind the progress of other nations.

This state of affairs is partly caused by the many internal turbulences we have experienced, but partly also by gross neglect in economic management, in scientific and technological development, as well as by the ineffective utilisation of our economic potentials - especially by foreign expertise - in the development of the abundant natural resources we possess.

The events at the end of 1965 - the abortive coup by the Indonesian Communist Party - which was a tragedy for all of us, can in a sense also be con-

considered as a blessing in disguise for the Indonesian nation, in that it brought about a radical change in our attitude and efforts to develop our nation.

Since then, we have started to build a new Indonesia, on the basis of our traditional principles which were restored in their pure application.

A great many efforts have still to be made in building a new Indonesia, and our task is to engage speedily in national rehabilitation and reconstruction.

Political and economic stabilization had to be reached in order to facilitate development in a real sense; the people had to be given more freedom to act and participate in the process of nation-building. The walls of isolation, which have hindered our economic relations and co-operation with the outside world, had to be torn down in order to promote our efforts in economic stabilisation and development.

Yes, we continue to be tempted by idealistic visions; yet we have to remain realistic. A nation's prosperity, national dignity and self-esteem, world peace, cannot be achieved merely by high-sounding slogans. They have to be struggled for through hard work, however disappointing initial achievements may prove to be. They are attained through careful planning, based on a realistic assessment of present capabilities; and they should be borne by people's aspiration.

Because so much is still to be done, we have to determine our national priorities. At present, we have accorded first priority to economic development. The Five-Year Development Plan which we have prepared in a pragmatic and realistic way has now entered its second year.

The main targets of this Plan are very modest: to increase the people's income - which right now is still below \$100 per capita - and to lay the necessary foundations for the next stage of development. By selecting the agricultural

of speech, and the right to demonstrate, can now be exercised freely, as long as these manifestations do not disturb public order and remain within the confines of the law. We are now also preparing the holding of general elections to be held next year.

The democracy which we have to develop is a democracy that is based upon a system that is rooted in the traditions of the Indonesian people; a democracy which in effect is firmly entrenched in the villages, i.e. mutual consultation in order to arrive at a consensus. It is this basic form of democracy which we at present are trying to develop and adjust to the modern requirements of this age, in order that it may be able to adapt itself to the progress of time. Democracy to us does not only mean the freedom to express our views; it also implies the necessity to harmonize divergent views and synchronize solutions on common problems. Freedom must be accompanied by responsibility; and responsibility will only be assumed when it is accompanied by freedom.

Now - after more than three years of hard struggle - we can point at some results; at the very least, we have succeeded in creating political and economic stability; internal security and tranquility have been restored; the inflation which was raging in 1966 has been curbed and the value of our currency - the Rupiah - has regained considerable stability; social life has practically returned to normal. Although these results constitute only the beginning of movement and a hopeful starting point for greater and more productive efforts in furthering our economic development, they have given us more confidence in our own ability, and hope that we may achieve even more in the future.

The progress we have made so far is, of course, of the greatest importance to ourselves. But I do believe that a stable and relatively prosperous Indon-

esia will contribute also to the stability and the security of the Southeast Asian region in general.

Many factors have accounted for the success that we have achieved. As I just mentioned, it was in the first place due to the hard work and untiring efforts of our people to improve their own lot with the limited capabilities available.

In this connection, the economic and technical assistance that have been provided by the countries of the IGGI and the Paris Club - of which America has been the biggest donor- and other international organisations such as the IMF, the World Bank and other U.N. bodies, proved very instrumental indeed in boosting our capacity to undertake those efforts of rehabilitation and development.

Through you, Gentlemen, I would like to convey to the American people the most sincere gratitude of the Indonesian people for the assistance you have given us, the more so because it was given to us at a time and in a form most suitable to our needs.

If I only mention here the economic aid for the IGGI and Paris Club countries, I do not mean to imply that we are closing the door to co-operation with other developed countries in Eastern Europe.

As far as we are concerned, economic relations and co-operation should be non-discriminatory in nature and proceed on the basis of equality, mutual benefit and within the limits of our respective capabilities.

We have always entertained the hope that economic co-operation with the countries of East Europe could proceed more smoothly than in the past, based on the principles I have just mentioned earlier.

Ladies and Gentlemen,

Despite our pre-occupation with internal problems and development, we

cannot be blind and remain passive towards the serious developments in the world today, especially those that affect our immediate surroundings, Southeast Asia.

In my view, the most fundamental question that confronts us today remains the problem of how to maintain peace and to ensure the generalisation of economic prosperity in the world.

It is so easy at any moment to light the fires of war that can cause untold suffering and tragedy; but to attain peace and the peaceful development of nations, so many preparations are needed, so many long and tedious conferences and procedures to follow.

I have often complained about this, but I do not despair.

Indonesia has always tried to face up to this reality in a practical manner, by employing the capabilities it possesses to find solutions in the shortest possible time.

Our foreign policy is a policy of peace and peaceful development on the basis of friendly co-operation. On the basis of mutual respect for each other's sovereignty and independence, and non-interference in each other's internal affairs, we desire to be friends with all nations in the world and endeavour to strengthen mutual understanding and co-operation for mutual benefit, without discriminating against any ideology or political system.

In Southeast Asia, we are trying to promote more meaningful co-operation among neighbouring countries by establishing the Association of Southeast Asian Nations, comprising Singapore, Malaysia, Thailand, the Philippines and Indonesia. Through this organization we are developing economic, social and cultural co-operation in the interest of our common progress and on the basis of common strength and equitable contribution, without sacrificing our individual identities and

sovereignties. Physically, we have not yet achieved very much, although this does not mean that the Association has been idling away its time. Those projects within our capacity to implement, have been started. Our common belief in ASEAN's capability to succeed, however small its present capacity may be, is to us an invaluable asset. Confidence in ourselves, the sense of common destiny and our common conviction that the future of a new Southeast Asia should be in the hands of the nations of Southeast Asia themselves, are the aspirations we share in looking into the future.

I am convinced that a Southeast Asia which is capable of managing its own affairs - which in fact is its birthright and its duty - will be able to give a more effective contribution to world peace. At the very least, such a Southeast Asia would lessen the tensions in the world, which today are on the verge of exploding.

A discussion of Southeast Asian affairs before a forum such as yours today, would not be complete, if I did not also touch upon a problem which is of grave concern, not only to the peoples of the region that includes Indonesia, but also to far-off countries such as the United States. I am referring to the Vietnam war, which now has spread to involve the whole of Indo-China.

It was with a sense of relief that the Indonesian people greeted the decision of the American Government to withdraw its troops from Vietnam and the convening of the Paris peace talks. We hope that peace will soon be re-established in our region and that subsequently Asian problems can be left to the Asian nations themselves to solve, without outside interference from whatever quarter. We also hope that it will become possible to establish national Governments that are in conformity with the aspirations and wishes of its own people, without coercion or pressure from outside.

The withdrawal of American troops from mainland Asia, however, should not mean the arrival of other foreign troops to take their place. This must be prevented.

If we really desire peace, then foreign intervention in the mutual affairs of a nation and the physical occupation of a nation by another should be stopped. In its place there should be increased co-operation and mutual assistance among nations, based on mutual regard for each other's sovereignty.

In this respect, the big powers and the more advanced nations in the world have the obligation to assist the weaker and the developing countries; their assistance should take the form of goods and services in accordance with the requirements of the recipient countries and should not consist of troops. It should be extended without ulterior motives designed to enchain the recipient country to the whims and political dictates of the donor state, but solely directed to assist the receiving country in its effort to augment its own capabilities.

It is on these principles alone that the weak and small nations will be able to stand on their own feet, develop their national capability to resist, and the capacity to defend themselves against any threats, whether they come from without or from within; take the form of threats because of bad economic conditions; infiltrations on political/ideological grounds or an open military threat from beyond its borders.

In this way, all of us, and especially the major powers of the world, will gain, not through war but by the fostering of peace and prosperity.

Ladies and Gentlemen,

I am aware that in talking about the problems we, and perhaps other South East Asian nations face, the American people too are at present in an agonizing process of re-ordering their national and international priorities.

As a friend, I cannot do otherwise but extend my appreciation for your

efforts to solve these problems.

Indeed, all of us are searching for answers to the problems that are being faced by our respective societies. It is imperative that all of us, big or small, rich or poor, find those answers, for all of us have a common stake in the future, and in an international order in which all of us can survive as nations in the decade, nay centuries to come. But we should also realize that many of these problems cannot be solved by just one nation alone. For many of these problems, solutions have to be worked out by all nations together. And it is here where friendship, mutual understanding, mutual respect and co-operation, as exist in freedom and equality between our two countries, will be of decisive value.

I thank you.

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DEPARTMENT OF EXTERNAL AFFAIRS

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INWARD CABLEGRAM

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FROM

TOD 05.6.70...2114 LT

AUSTRALIAN EMBASSY
WASHINGTON

TOR 06.6.70...1135 LT

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ADDRESSED CANBERRA 3304 REPEATED DJAKARTA OP 549.

INDONESIA.

THE VISIT OF PRESIDENT SOEHARTO TO THE UNITED STATES BETWEEN 25TH MAY AND 2ND JUNE ON WHAT WAS BASICALLY A GOODWILL VISIT WENT VERY SMOOTHLY.

THE OFFICIAL TALKS APPEAR TO HAVE COVERED ONLY GENERAL TOPICS AND TO HAVE COVERED LITTLE OF REAL SUBSTANCE.

THE INDONESIAN AMBASSADOR TO THE UNITED STATES, SOEDJATMOKO, EXPRESSED CONCERN PRIOR TO THE VISIT THAT SOEHARTO'S UNFAMILIARITY WITH AMERICAN WAYS AND INEXPERIENCE IN INTERNATIONAL AFFAIRS MIGHT SERVE TO ENDANGER INDONESIA'S IMAGE AS A NON-ALIGNED NATION.

SOEHARTO HANDLED HIMSELF WELL, HOWEVER, ON ALL HIS PUBLIC APPEARANCES, AND SHOWED SKILL IN AVOIDING DIFFICULT PUBLIC ISSUES.

2. IN HIS PUBLIC STATEMENTS SOEHARTO ADHERED TO BROAD GENERAL THEMES.

HE SPOKE OF HIS VISIT AS A RETURN VISIT FOR THE ONE MADE BY NIXON TO DJAKARTA IN 1969.

HE REFERRED TO THE UNITED STATES AS "THE CRADLE OF MODERN DEMOCRACY", AFFIRMED INDONESIA'S FRIENDSHIP FOR THE UNITED STATES ON THE BASIS OF FUNDAMENTAL ORIENTATION AND AFFINITY OF BASIC GOALS AND SAID THAT WHILST THE TWO COUNTRIES WOULD PROBABLY CONTINUE TO HAVE DIFFERENT PERSPECTIVES IN THEIR VIEW OF MAJOR WORLD ISSUES THEY NEVERTHELESS SHARED COMMON ASPIRATIONS.

IN HIS ADDRESS TO THE NATIONAL PRESS CLUB IN WASHINGTON ON 27TH MAY AND IN HIS PRIVATE MEETING WITH THE SENATE FOREIGN RELATIONS COMMITTEE, HE SPOKE IN SUPPORT OF THE PRINCIPLES OF INDEPENDENCE, NATIONALISM AND NATIONAL IDENTITY, AS SUMMED UP IN THE PANTJA SILA.

HE EMPHASIZED INDONESIA'S NON-ALIGNMENT AS THE BASIS FOR HER EFFECTIVE CONTRIBUTION TO EFFORTS TO OBTAIN WORLD PEACE AND STABILITY IN SOUTH EAST ASIA, AND EXPLAINED INDONESIA'S ROLE AT THE DJAKARTA CONFERENCE ON THE BASIS OF THIS ATTITUDE.

THE SENATE FOREIGN RELATIONS COMMITTEE AVOIDED ASKING EMBARRASSING QUESTIONS.

IN ANSWER TO A GENERAL QUESTION BY A SENATOR ABOUT THE U.S. ROLE IN VIETNAM, SOEHARTO SAID HE SUPPORTED THE VIETNAMIZATION POLICY.

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3. AT THE WHITE HOUSE DINNER HELD IN HIS HONOUR SOEHARTO MADE A REMARK WHICH WAS SUBSEQUENTLY WIDELY REPORTED.

AFTER SPEAKING OF THE THREAT AGAINST THE RIGHT OF THE KHMER PEOPLE TO MAINTAIN THEIR NEUTRALITY, HE SAID "WE CANNOT AFFORD JUST TO WATCH., FOR THE SAKE OF PEACE AND STABILITY IN SOUTH EAST ASIA, ALL EFFORTS SHOULD BE TAKEN TO PREVENT THE WAR FROM WIDENING AND TO ENSURE THE PRESEVATION OF CAMBODIA'S RIGHT TO SOVEREIGNTY AND NEUTRALITY, AMONG OTHER THINGS, BY EFFECTING THE WITHDRAWAL OF ALL FOREIGN FORCES FROM CAMBODIAN TERRITORY."

THIS REMARK WAS INTERPRETED BY AN ADMINISTRATION SPOKESMAN AS REFERRING ONLY TO THE PRESENCE OF THE NORTH VIETNAMESE TROOPS AND NOT TO U. S. AND ARVN FORCES.

SOEHARTO SUBSEQUENTLY REAFFIRMED PUBLICLY THAT HE WAS REFERRING TO ALL FOREIGN FORCES.

AT THE PRESS CLUB LUNCH SOEHARTO WELCOMED THE U.S. DECISION TO WITHDRAW TROOPS FROM SOUTH VIETNAM BUT SAID "THE WITHDRAWAL OF U.S. TROOPS FROM MAINLAND ASIA MUST NOT MEAN THE ARRIVAL OF OTHER FOREIGN TROOPS TO TAKE THEIR PLACE.

THIS MUST BE PREVENTED."

HE SAID THAT FOREIGN INTERVENTION SHOULD BE REPLACED BY INCREASED COOPERATION AND MUTUAL ASSISTANCE BASED ON MUTUAL REGARD FOR SOVEREIGNTY.

IN HIS RESPONSES NIXON PRAISED INDONESIA'S ROLE FOR PEACE IN THE PACIFIC, WITH PARTICULAR EMPHASIS ON INDONESIA'S ROLE AT THE DJAKARTA CONFERENCE.

4. SOEHARTO HAD TWO PRIVATE CONVERSATIONS WITH NIXON IN WASHINGTON.

IT IS THE UNDERSTANDING OF MASTERS (STATE) THAT NOTHING OF SUBSTANCE WAS DISCUSSED.

WE UNDERSTAND FROM MASTERS THAT IN THE TALKS AT THE OFFICIAL LEVEL MALIK DISCUSSED IN GENERAL TERMS THE SITUATION IN SOUTH EAST ASIA, THE BILATERAL RELATIONSHIP BETWEEN THE UNITED STATES AND INDONESIA, AND THE MIDDLE EAST.

MALIK'S VIEW ON THE CAMBODIAN SITUATION ARE REPORTED IN OUR TELEGRAM NO 3211.

THERE WAS NO TALK ABOUT THAILAND AND ONLY A PASSING REFERENCE TO SOUTH VIETNAM.

THERE WAS NO DISCUSSION ABOUT THE FUTURE OF SOUTH EAST ASIA AND NO REFERENCE TO AUSTRALIA.

IN HIS DISCUSSION WITH GREEN, MALIK GAVE THE JAPANESE VERY HIGH MARKS FOR THEIR FORTHCOMING ATTITUDE AT THE DJAKARTA CONFERENCE.

5. ON THE BILATERAL RELATIONSHIP, MALIK EXPRESSED APPRECIATION FOR THE UNITED STATES' EFFORTS IN THE MEETINGS OF THE PARIS CLUB

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AND ON THE IGGI.

HE ALSO EXPRESSED AN INTEREST IN OTHER SOURCES OF US AID, FOR EXAMPLE FROM THE EXPORT/IMPORT BANK.

WHILST MALIK STRESSED THE IMPORTANCE OF ECONOMIC AID TO INDONESIA, HE ALSO SAID THAT THE MILITARY FORCES COULD NOT BE FORGOTTEN.

HE POINTED OUT THAT THE THAIS AND THE MALAYSIANS WERE CONCERNED ABOUT THEIR SECURITY AND GIVEN THE PRESENT POOR STATE OF PREPAREDNESS OF INDONESIAN FORCES ASKED THAT THE UNITED STATES KEEP THE MILITARY AS WELL AS ECONOMIC AID IN MIND.

ACCORDING TO MASTERS, THERE WAS NO SPECIFIC DISCUSSION OF EITHER SUBJECT.

THE DETAILS OF THE 15 MILLION DOLLAR U.S. MAP WERE LAID OUT FOR MALIK, BUT HE DID NOT ASK FOR AN EXPANDED PROGRAMME.

THE IMPLICATION WAS THAT HE CONSIDERED THE PRESENT PROGRAMME SATISFACTORY.

6. ON THE MIDDLE EAST, MALIK SAID THAT THERE WAS A RADICAL AND MODERATE GROUP IN THE MIDDLE EAST AND HE WAS AFRAID PRESENT U.S. POLICY WAS STRENGTHENING THE POSITION OF THE RADICAL GROUP.

TO BREAK OUT OF THE PRESENT VICIOUS CIRCLE HE THOUGHT THAT ONE OR TWO MATTERS, WHICH WOULD STRENGTHEN THE POSITION OF THE MODERATES, SHOULD BE TAKEN OUT OF THE PROPOSED PACKAGE DEAL.

ONE SUCH MATTER WAS JERUSALEM.

HE THOUGHT THAT A SETTLEMENT OF THIS QUESTION COULD STRENGTHEN JORDANIAN SUPPORT FOR THE MODERATES AND ATTRACT SUPPORT TO THEIR CAUSE FROM THE MUSLIMS OUTSIDE THE MIDDLE EAST, FOR EXAMPLE PAKISTAN AND INDONESIA.

WE UNDERSTAND FROM MASTERS THAT THE AMERICAN RESPONSE TO MALIK'S INITIATIVE IS EXPECTED TO BE NEGATIVE.

IN MASTERS' VIEW, MALIK RAISED THE MIDDLE EAST FOR DOMESTIC AS WELL AS AN INTERNATIONAL POLITICAL REASONS AND PERHAPS SEES HIMSELF ESTABLISHING A POLITICAL BASE WITHIN THE INDONESIAN MUSLIM COMMUNITY.

7. THE VISIT SERVED TO UNDERLINE THE PERSONAL BOND WHICH EXISTS BETWEEN SOEHARTO AND NIXON.

IT PROVIDED A FORUM WHICH SOEHARTO WAS ABLE TO USE SUCCESSFULLY TO IMPROVE HIS OWN IMAGE IN THE EYES OF ADMINISTRATION OFFICIALS AND CONGRESSMEN.

THIS WILL BE PARTICULARLY IMPORTANT IN RESPECT TO FUTURE U.S. ECONOMIC AND MILITARY ASSISTANCE TO INDONESIA.

SOEHARTO APPEARS TO HAVE MANAGED WITH SOME SKILL TO WALK THE TIGHTROPE IN PRESERVING INDONESIA'S RESPECTABLY NON-ALIGNED IMAGE.

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AAP 476

SUHARTO

DJAKARTA, JUNE 4. AAP-REUTER - PRESIDENT SUHARTO ARRIVED HOME TO A QUIET WELCOME TODAY AFTER A ONE WEEK STATE VISIT TO THE UNITED STATES AND A SHORT STOPOVER AT EXPO 77 IN JAPAN.

HE WAS MET AT THE AIRPORT BY ECONOMIC MINISTER SULTAN HAMENGKU BUMONO, WHO WAS ACTING PRESIDENT DURING HIS ABSENCE, AND OTHER MINISTERS WHEN HE FLEW IN FROM JAPAN.
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AAP 477

SUHARTO 2 DJAKARTA

PRESIDENT SUHARTO MADE NO STATEMENT AT THE AIRPORT. HE AND HIS WIFE, WHO ACCOMPANIED HIM ON THE TRIP, DROVE STRAIGHT TO THEIR PRIVATE RESIDENCE IN THE CENTRAL DJAKARTA SUBURB OF TJENDANA.

THE PRESIDENT'S U.S. VISIT, DURING WHICH HE HAD TALKS WITH PRESIDENT NIXON ON CAMBODIA AND OTHER WORLD PROBLEMS AND MET UNITED NATIONS SECRETARY GENERAL U THANT, IS SAID BY INFORMED SOURCES HERE TO HAVE GONE WELL.

ECONOMIC AND BUSINESS TALKS RECEIVED AS MUCH ATTENTION AS POLITICAL MATTERS DURING THE VISIT AND THE SOURCES WERE CONFIDENT IT HAS HELPED TO BOOST INDONESIA'S IMAGE ABROAD.

FOREIGN MINISTER ADAM MALIK, WHO ACCOMPANIED PRESIDENT SUHARTO, CONFIRMED TO REPORTERS THE THREE NATIONS TASK FORCE SET UP BY THE ASIAN AND PACIFIC FOREIGN MINISTERS CONFERENCE ON CAMBODIA HERE LAST MONTH WOULD MEET IN KUALA LUMPUR TOMORROW.

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LEAD SUHARTO:

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DJAKARTA, JUNE 4 AAP REUTER - PRESIDENT SUHARTO LEFT THE UNITED STATES WITH THE FIRM BELIEF THAT PRESIDENT NIXON RESPECTS INDONESIA'S NON-ALIGNED AND ACTIVE FOREIGN POLICY, THE INDONESIAN FOREIGN OFFICE SAID TODAY.

A STATEMENT ISSUED BY THE FOREIGN MINISTRY SUMMING UP THE PRESIDENT'S WEEK-LONG STATE VISIT TO THE U.S. SAID PRESIDENT SUHARTO HAD ENJOYED THE CORDIAL AND ARM WELCOME SHOWN HIM BY THE AMERICAN PEOPLE AND LEADERS.

"FROM THE TALKS HELD BETWEEN PRESIDENT SUHARTO AND PRESIDENT NIXON, CONCLUSIONS CAN BE TAKEN THAT THE UNITED STATES UNDERSTANDS THE PRESENT ECONOMIC DEVELOPMENT IN INDONESIA AND WILL CONTINUE TO AID ITS DEVELOPMENT. THE UNITED STATES APPRECIATES AND RESPECTS INDONESIA'S INDEPENDENT AND ACTIVE FOREIGN POLICY AND NON-ALIGNMENT", THE STATEMENT SAID.

IT ADDED THAT THE U.S. SUPPORTED LAST MONTH'S DJAKARTA MINISTERIAL CONFERENCE ON CAMBODIA AND WOULD CONTINUE TO CARRY OUT THE "GUAM DOCTRINE" AS SPELLED OUT BY PRESIDENT NIXON DURING HIS ASIAN TOUR LAST YEAR.

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LEO SUHARTO 2 DJAKARTA:

THE STATEMENT SAID PRESIDENT SUHARTO HAD SUGGESTED THAT MORE AMERICAN LEADERS SHOULD VISIT INDONESIA TO SEE FOR THEMSELVES THE PROBLEMS AND ASPIRATIONS OF THE INDONESIAN PEOPLE.

HE SAID THAT THIS WOULD HELP STRENGTHEN RELATIONS BETWEEN THE TWO COUNTRIES.

PRESIDENT SUHARTO AND FOREIGN MINISTER ADAM MALIK, WHO ACCOMPANIED HIM ON THE TRIP, RESTED TODAY AND THEIR SPOKESMAN SAID THEY HAD NO OFFICIAL ENGAGEMENTS.

THE PRESIDENT AND HIS PARTY ARRIVED HERE AT THIS MORNING DIRECT FROM OSAKA, JAPAN, WHERE PRESIDENT SUHARTO SPENT SEVERAL HOURS AT EXPO '70 YESTERDAY.

PALACE SPOKESMAN BRIGADIER GENERAL WIDYA LATIEF DESCRIBED THE U.S. VISIT AS "MOST SUCCESSFUL AND BEYOND EXPECTATIONS".
AAP REUTER

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4/6/70

MDA

TELEPHONE: (202) 797-3000
TELEGRAPHIC ADDRESS: AUSTEMBA
TELEX: W. U. 089501

3034/11/141
1401 MASSACHUSETTS AVE.
WASHINGTON, D. C. 20036



EMBASSY OF AUSTRALIA

IN REPLY QUOTE: 221/11/9

Memorandum No: 704/70

27th May, 1970.

The Secretary,
Department of External Affairs,
CANBERRA.

Indonesia : Soeharto Visit to Washington.

.... Enclosed for your information are copies of
Soeharto's speech to the National Press Club in
Washington on 27th May, 1970.

2. Copy of this memorandum, with attachment,
are being forwarded to Djakarta.

A. F. DINGLE
(A. F. Dingle)
First Secretary

*Mr I
to retain. Au.*



INFORMATION SECTION • EMBASSY OF INDONESIA • 2020 MASSACHUSETTS AVENUE, N.W., WASHINGTON, D. C. 20036 • 293-1745

ADDRESS BY

HIS EXCELLENCY SOEHARTO

PRESIDENT OF THE REPUBLIC OF INDONESIA

AT THE NATIONAL PRESS CLUB

WASHINGTON D.C.

MAY 27, 1970

Mr. Chairman,

Honorable Members,

Distinguished guests,

First of all, I would like to express my gratitude to you for your invitation to attend this very pleasant luncheon meeting. When a few months ago it was proposed to me that I speak before the National Press Club in Washington D.C., an institution of considerable reputation abroad, I readily accepted this valuable opportunity to meet you.

I have come to the United States - and this is my very first visit - at the gracious invitation of President Nixon. I deemed it only proper to reciprocate the honor accorded to the Indonesian people by the first visit of an

American President to our country, ten months ago. But more than merely paying a return visit, I have come to the United States as a friend and as one eager to further strengthen our bonds of friendship and mutual understanding with this country, to exchange views with its leaders as well as with its private citizens in all walks of life; to learn to know all those who have made this American nation the great nation it is today. Of course, in trying to convey the views and aspirations of our people, while at the same time endeavouring to perceive the spirit and the way of life of the American nation, I cannot personally meet and speak to all Americans.

But I am convinced, that the privilege I have today to talk to you and to have a dialogue with you, Members of the National Press Club, will have the same effect as if I would speak to the entire American people. Perhaps my assumption is too far-fetched; I am confident, however, that you will not disappoint my hopes.

It is often said that the Press is the fourth estate, the fourth power in the organization of the State. This view may not be entirely truthful; but to wholly discount its implication is to reject reality.

The responsibility of the world press today is part of the responsibility of man towards humanity.

The tremendous advances of modern communications technology have made it possible not only to monitor the daring journey of the astronauts to the moon through the communications center in Houston, but also to bring the account of their exploits, in all its anxiety, emotion and pride, to every man in all corners of the world. The agony of war in various parts of the globe, the activity of international conferences and other important events everywhere, can now be pub-

licized to people all over the world, through television, radio and the press, in a matter of a few hours, or a day at the latest.

But it is the irony of our times, that while the technical means of communications have developed at an astounding rate, communication between people, between nations, between the souls of men, have lagged behind.

It would seem to me, that to nurture and develop communication between peoples, is now more than ever the duty and challenge facing all of us, and especially you, who have made it your professional avocation.

Indeed, Man's aspirations are the same the world over. The Founding Fathers of America have given expression to a part of these aspirations, in enunciating it as the right to "Life, Liberty and the pursuit of Happiness." These rights are irrevocable because they are the inalienable rights of all men who are created equal by God Almighty. The American nation has become great because it defends, implements, and benefits from these principles.

We respect your principles, we understand them, because we understand American history, the history that has given birth to the American nation and its ideals.

Not only do we appreciate these principles, but we in Indonesia apply them too and work towards the same aims.

169 years after your Declaration of Independence - in 1945 - the Indonesian people proclaimed that: "Independence is the right of all peoples, and therefore colonialism should be eradicated from this earth, as it is against the principles of humanity and justice."

We have enunciated these principles - as in the case of the American people in their Declaration of Independence - because of our history; for 350

years under colonial rule, the Indonesian people suffered in darkness, their opportunity to develop limited, their self-esteem trodden, their riches exploited.

Indonesia's nationalism is clearly a reaction to foreign oppression. It constitutes a force that gives us the will to live and restores to us our sense of identity and self-esteem; at the same time it provides us with a moral basis. Our nationalism is not a nationalism in the narrow sense; Independence and national strength shall not be used to enforce your will upon other peoples; on the contrary, on the basis of nationalism we should try to co-operate with other nations to bring about peace and prosperity for all.

Besides nationalism, our national identity is also a source of strength to us.

The national identity of a people is indeed not a simple matter. It encompasses all the values that are held dear by a people, and which were handed down by traditional heritage and history; it shapes a people's outlook on life and determines its aspirations as to the way of life of the future.

Every nation of course has its own identity. The identity of the American people is known as the "American way of life." We too have a national identity of our own.

In fact, Indonesia's identity is summed up in the Pantja Sila, our State Philosophy consisting of the unity of five principles: Belief in God, Just and Civilized Humanity, the Unity of Indonesia, Democracy which is guided by inner wisdom arrived at through consultation amongst representatives, and Social Justice for the entire people.

This then is our view on life, our way of viewing and evaluating affairs and events, the basis on which we solve our problems, internal as well as external

ones, and our guidance in social life.

Can such an attitude be termed as narrow-minded? Or one divorced from reality? I do not think so. We are living in a world of realities; a thousand and one problems confront us, in our own countries and in the world at large.

How could it be possible for us to face the increasingly complex problems of today, without a distinct philosophy on life? Without it, we would surely be drifting aimlessly about.

But because we have the Pantja Sila, we have succeeded in maintaining ourselves, despite the many internal turbulences we have experienced since our independence, both those inspired by ideologies of the ultra-left as well as of the extreme right; we have also succeeded in overcoming those disturbances on the basis of our own strength.

Being deeply rooted in the consciousness of the Indonesian people, it is the Pantja Sila that has given us the fundamental strength to withstand the pull of western as well as eastern ideology, ever since we achieved our independence.

The Indonesian people take genuine pride in the strength of their conviction not to align themselves to either of the opposing blocs; and God willing, we will be able to preserve and hold firmly to this conviction. The Indonesian people are convinced, that only by taking this stand they can contribute effectively to the efforts to attain world peace in general and stability in the Southeast Asia region in particular.

It is on the basis of this attitude also that Indonesia, together with a number of other Asian countries, recently convened a Conference in Djakarta on the question of Cambodia. I think there is no more need for me to elaborate on the latest developments that have brought disaster to the Cambodian people; nor do I have to dwell in length on the results achieved by that Conference.

I only like to stress that what we have done is to endeavour to open the way towards solving the Cambodian conflict in an objective and realistic manner and with a just end result for the Cambodian people in mind. We have tried to contribute our share in helping safeguard the sovereignty, integrity, and neutrality of the Khmer people, to which they are fully entitled; we have tried to prevent the spreading of war, for the sake of peace and stability in Southeast Asia, to which all nations of the region are entitled.

For tens, nay hundreds of years, the Indonesian people have fought for their national independence. It was not just political independence we were after; but through the political freedom gained we strived to attain material and spiritual happiness, rapid economic progress and material well-being for all our people. We aspired to become a developed nation capable of contributing its proper share to the international community.

At this present moment, these desires and aspirations are still beyond our capacity to fulfill. During twenty years of independence, our economic situation has in fact grown steadily worse, with development of science and technology virtually frozen, resulting in our falling more and more behind the progress of other nations.

This state of affairs is partly caused by the many internal turbulences we have experienced, but partly also by gross neglect in economic management, in scientific and technological development, as well as by the ineffective utilisation of our economic potentials - especially by foreign expertise - in the development of the abundant natural resources we possess.

The events at the end of 1965 - the abortive coup by the Indonesian Communist Party - which was a tragedy for all of us, can in a sense also be con-

sidered as a blessing in disguise for the Indonesian nation, in that it brought about a radical change in our attitude and efforts to develop our nation.

Since then, we have started to build a new Indonesia, on the basis of our traditional principles which were restored in their pure application.

A great many efforts have still to be made in building a new Indonesia, and our task is to engage speedily in national rehabilitation and reconstruction.

Political and economic stabilization had to be reached in order to facilitate development in a real sense; the people had to be given more freedom to act and participate in the process of nation-building. The walls of isolation, which have hindered our economic relations and co-operation with the outside world, had to be torn down in order to promote our efforts in economic stabilisation and development.

Yes, we continue to be tempted by idealistic visions; yet we have to remain realistic. A nation's prosperity, national dignity and self-esteem, world peace, cannot be achieved merely by high-sounding slogans. They have to be struggled for through hard work, however disappointing initial achievements may prove to be. They are attained through careful planning, based on a realistic assessment of present capabilities; and they should be borne by people's aspiration.

Because so much is still to be done, we have to determine our national priorities. At present, we have accorded first priority to economic development. The Five-Year Development Plan which we have prepared in a pragmatic and realistic way has now entered its second year.

The main targets of this Plan are very modest: to increase the people's income - which right now is still below \$100 per capita - and to lay the necessary foundations for the next stage of development. By selecting the agricultural

sector as the central point of our development, we hope those targets can be achieved, for 65% of the Indonesian people are engaged in this sector.

At present we are hard at work to increase food production, especially rice, through intensification and extensification of farming methods, having as a target self-sufficiency in rice needs by the end of the present Five Year Plan (1974). Development in other sectors - infrastructure, industry etc., - are directed towards supporting the realization of our targets in the agricultural sector.

Apart from the development activities by the Government, the opportunity is opened wide for investment by foreign private capital under equitable conditions, to develop Indonesia's vast natural resources in the fields of mining, manufacturing, forestry et al. A great number of foreign enterprises - among them from the United States - are now active in Indonesia.

The development of a nation is not a purely economic endeavour. Nation building also implies the development of basic values that are considered vital to the nation, the establishment of a harmonious social system, the release of the creative energies and talents inherent in the people, the fostering and development of those institutions and instrumentalities needed for the life as a Nation and a modern state.

Permit me to mention but a few of the things that we are doing in this respect. Apart from our efforts at economic development, we have stressed the restoration of democratic life based on the rule of law. This is not only because our Pantja Sila demands it but also because we realize that the presence of democracy and justice and the rule of law will prove to be the main motivating factors capable of enhancing our efforts in all fields in which we are at present engaged.

Freedom of expression through the press and other mass media, freedom

of speech, and the right to demonstrate, can now be exercised freely, as long as these manifestations do not disturb public order and remain within the confines of the law. We are now also preparing the holding of general elections to be held next year.

The democracy which we have to develop is a democracy that is based upon a system that is rooted in the traditions of the Indonesian people; a democracy which in effect is firmly entrenched in the villages, i.e. mutual consultation in order to arrive at a consensus. It is this basic form of democracy which we at present are trying to develop and adjust to the modern requirements of this age, in order that it may be able to adapt itself to the progress of time. Democracy to us does not only mean the freedom to express our views; it also implies the necessity to harmonize divergent views and synchronize solutions on common problems. Freedom must be accompanied by responsibility; and responsibility will only be assumed when it is accompanied by freedom.

Now - after more than three years of hard struggle - we can point at some results; at the very least, we have succeeded in creating political and economic stability; internal security and tranquility have been restored; the inflation which was raging in 1966 has been curbed and the value of our currency - the Rupiah - has regained considerable stability; social life has practically returned to normal. Although these results constitute only the beginning of movement and a hopeful starting point for greater and more productive efforts in furthering our economic development, they have given us more confidence in our own ability, and hope that we may achieve even more in the future.

The progress we have made so far is, of course, of the greatest importance to ourselves. But I do believe that a stable and relatively prosperous Indon-

esia will contribute also to the stability and the security of the Southeast Asian region in general.

Many factors have accounted for the success that we have achieved. As I just mentioned, it was in the first place due to the hard work and untiring efforts of our people to improve their own lot with the limited capabilities available.

In this connection, the economic and technical assistance that have been provided by the countries of the IGGI and the Paris Club - of which America has been the biggest donor- and other international organisations such as the IMF, the World Bank and other U.N. bodies, proved very instrumental indeed in boosting our capacity to undertake those efforts of rehabilitation and development.

Through you, Gentlemen, I would like to convey to the American people the most sincere gratitude of the Indonesian people for the assistance you have given us, the more so because it was given to us at a time and in a form most suitable to our needs.

If I only mention here the economic aid for the IGGI and Paris Club countries, I do not mean to imply that we are closing the door to co-operation with other developed countries in Eastern Europe.

As far as we are concerned, economic relations and co-operation should be non-discriminatory in nature and proceed on the basis of equality, mutual benefit and within the limits of our respective capabilities.

We have always entertained the hope that economic co-operation with the countries of East Europe could proceed more smoothly than in the past, based on the principles I have just mentioned earlier.

Ladies and Gentlemen,

Despite our pre-occupation with internal problems and development, we

cannot be blind and remain passive towards the serious developments in the world today, especially those that affect our immediate surroundings, Southeast Asia.

In my view, the most fundamental question that confronts us today remains the problem of how to maintain peace and to ensure the generalisation of economic prosperity in the world.

It is so easy at any moment to light the fires of war that can cause untold suffering and tragedy; but to attain peace and the peaceful development of nations, so many preparations are needed, so many long and tedious conferences and procedures to follow.

I have often complained about this, but I do not despair.

Indonesia has always tried to face up to this reality in a practical manner, by employing the capabilities it possesses to find solutions in the shortest possible time.

Our foreign policy is a policy of peace and peaceful development on the basis of friendly co-operation. On the basis of mutual respect for each other's sovereignty and independence, and non-interference in each other's internal affairs, we desire to be friends with all nations in the world and endeavour to strengthen mutual understanding and co-operation for mutual benefit, without discriminating against any ideology or political system.

In Southeast Asia, we are trying to promote more meaningful co-operation among neighbouring countries by establishing the Association of Southeast Asian Nations, comprising Singapore, Malaysia, Thailand, the Philippines and Indonesia. Through this organization we are developing economic, social and cultural co-operation in the interest of our common progress and on the basis of common strength and equitable contribution, without sacrificing our individual identities and

sovereignties. Physically, we have not yet achieved very much, although this does not mean that the Association has been idling away its time. Those projects within our capacity to implement, have been started. Our common belief in ASEAN's capability to succeed, however small its present capacity may be, is to us an invaluable asset. Confidence in ourselves, the sense of common destiny and our common conviction that the future of a new Southeast Asia should be in the hands of the nations of Southeast Asia themselves, are the aspirations we share in looking into the future.

I am convinced that a Southeast Asia which is capable of managing its own affairs - which in fact is its birthright and its duty - will be able to give a more effective contribution to world peace. At the very least, such a Southeast Asia would lessen the tensions in the world, which today are on the verge of exploding.

A discussion of Southeast Asian affairs before a forum such as yours today, would not be complete, if I did not also touch upon a problem which is of grave concern, not only to the peoples of the region that includes Indonesia, but also to far-off countries such as the United States. I am referring to the Vietnam war, which now has spread to involve the whole of Indo-China.

It was with a sense of relief that the Indonesian people greeted the decision of the American Government to withdraw its troops from Vietnam and the convening of the Paris peace talks. We hope that peace will soon be re-established in our region and that subsequently Asian problems can be left to the Asian nations themselves to solve, without outside interference from whatever quarter. We also hope that it will become possible to establish national Governments that are in conformity with the aspirations and wishes of its own people, without coercion or pressure from outside.

The withdrawal of American troops from mainland Asia, however, should not mean the arrival of other foreign troops to take their place. This must be prevented.

If we really desire peace, then foreign intervention in the mutual affairs of a nation and the physical occupation of a nation by another should be stopped. In its place there should be increased co-operation and mutual assistance among nations, based on mutual regard for each other's sovereignty.

In this respect, the big powers and the more advanced nations in the world have the obligation to assist the weaker and the developing countries; their assistance should take the form of goods and services in accordance with the requirements of the recipient countries and should not consist of troops. It should be extended without ulterior motives designed to enchain the recipient country to the whims and political dictates of the donor state, but solely directed to assist the receiving country in its effort to augment its own capabilities.

It is on these principles alone that the weak and small nations will be able to stand on their own feet, develop their national capability to resist, and the capacity to defend themselves against any threats, whether they come from without or from within; take the form of threats because of bad economic conditions; infiltrations on political/ideological grounds or an open military threat from beyond its borders.

In this way, all of us, and especially the major powers of the world, will gain, not through war but by the fostering of peace and prosperity.

Ladies and Gentlemen,

I am aware that in talking about the problems we, and perhaps other South East Asian nations face, the American people too are at present in an agonizing process of re-ordering their national and international priorities.

As a friend, I cannot do otherwise but extend my appreciation for your

efforts to solve these problems.

Indeed, all of us are searching for answers to the problems that are being faced by our respective societies. It is imperative that all of us, big or small, rich or poor, find those answers, for all of us have a common stake in the future, and in an international order in which all of us can survive as nations in the decade, nay centuries to come. But we should also realize that many of these problems cannot be solved by just one nation alone. For many of these problems, solutions have to be worked out by all nations together. And it is here where friendship, mutual understanding, mutual respect and co-operation, as exist in freedom and equality between our two countries, will be of decisive value.

I thank you.

3034/11/161

DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

26

KAG 1

I.60745

FROM

TOD 03.6.1970...1324 LT

AUSTRALIAN EMBASSY,
DJAKARTA.

TOR 03.6.1970...1639 LT

1951 CONFIDENTIAL

ADDRESSED CANBERRA 1951 REPEATED WASHINGTON 20.

PRESIDENT SOEHARTO'S VISIT TO THE UNITED STATES

AMERICAN EMBASSY HERE HAS NOT YET HAD ANY REPORTS OF THE
DISCUSSIONS OF THE PRESIDENT AND HIS PARTY IN WASHINGTON.

MIN. AND DEPT. E.A.
MIN. AND DEPT. DEFENCE.
J.I.O.
D.C.O.
P.M'S

M. Bouchier

SEC DEP SEC FAS(1) INT SEA MO DL FAS(2) UN PPO
FAS(3) ER FAS(4) EAMEC E ICR PIO

CONFIDENTIAL

CONFIDENTIAL

UPI-1974

ADDRESS 5/20

WITH SUHARTO

NEW YORK, MAY 29 (UPI)--INDONESIAN PRESIDENT SUHARTO TOLD THE U.S. BUSINESS WORLD TONIGHT THAT HIS COUNTRY WAS INTERESTED IN FOREIGN INVESTMENT IN SUPPORT OF ITS ECONOMIC DEVELOPMENT. SPEAKING AT A DINNER GIVEN IN HIS HONOR BY THE ASIA SOCIETY AT THE HILTON HOTEL, SUHARTO NOTED THAT HIS GOVERNMENT SINCE IT TOOK OVER IN 1966 HAD SUCCEEDED IN ARRESTING THE DOWNWARD PLUNGE OF DETERIORATION IN ALL SECTORS, POLITICAL, ECONOMIC AND SOCIAL.

IN ITS SECOND FIVE YEAR DEVELOPMENT PLAN, HE SAID, INDONESIA HOPED TO DEAL WITH UNEMPLOYMENT, URBANIZATION AND MISMATCHING OF POPULATION.

IN THE FIRST PLACE, HE CONTINUED, WE REALIZE THAT THE MAIN BURDEN IN FULFILLMENT OF THIS TASK IS OURS, AND SHOULD BE OURS.

SECONDLY, WE DEEM IT POSSIBLE AND DESIREABLE FOR US TO DEVELOP OUR ECONOMY AS PART OF THE WORLD COMMUNITY OF NATIONS, WORKING COOPERATION WITH BOTH THE RICH AND THE POOR NATIONS, AND NOT THROUGH THE CONFRONTATION OF THE RICH BY THE POOR... (MORE) H-930A/143W

3034 / 11 / 161

L. Hickenham
100.

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SCANNING THIS ITEM AT A HIGHER RESOLUTION WILL NOT IMPROVE ITS LEGIBILITY.

UPI-138X

ADDRESS 5/69

1ST ADD. ADDRESS: NEW YORK X X FOUR...

+THIRDLY, WE BELIEVE THAT BESIDES ECONOMIC COOPERATION BETWEEN GOVERNMENTS, PRIVATE INVESTMENT CAN SPEED UP THE RATE OF ECONOMIC GROWTH AND CAN FACILITATE THE TRANSFER OF CAPITAL, OF KNOWLEDGE, SKILLS AND ORGANIZATIONAL CAPABILITY, OF WHICH WE ARE SO MUCH IN NEED.+

THE INDOONESIAN PRESIDENT ASSURED THE BUSINESS COMMUNITY THAT HIS COUNTRY WOULD CONTINUE ITS PRESENT COURSE OF GUARANTEEING PRIVATE INVESTMENT.

+BUT WE ALSO HOPE, + HE ADDED, +THAT PRIVATE FOREIGN CAPITAL ON ITS PART IS CAPABLE AND PREPARED TO IDENTIFY ITSELF WITH OUR NATIONAL DEVELOPMENT GOALS, TO CONTRIBUTE TO THAT PURPOSE, AND THUS TO SPEED UP THE DEVELOPMENT OF AN INDIGENOUS ENTREPRENEURIAL CLASS. SUTARTO EXPRESSED FIRM BELIEF THAT INDONESIA COULD COOPERATE WITH THE OUTSIDE WORLD + ON THE BASIS OF EQUALITY, GOOD FAITH AND MUTUAL INTEREST.

SPEAKING ABOUT THE GAP BETWEEN THE RICH AND THE POOR COUNTRIES OF THE WORLD, SUTARTO WARNED THAT +UNLESS SERIOUS EFFORTS ARE MADE TO ASSIST THE POOR COUNTRIES IN THEIR DEVELOPMENT, ALL OTHER EFFORTS TO ATTAIN LASTING PEACE AND SECURITY IN THE WORLD WILL PROVE FUTILE.+

+IT IS CLEAR, + HE CONTINUED, +THAT FOR THIS A MUCH GREATER FLOW OF CAPITAL, KNOWLEDGE AND SKILLS WILL HAVE TO TAKE PLACE, ON A GLOBAL SCALE, COMMENSURATE WITH THE MAGNITUDE OF THE PROBLEM. --(UP)
H-9344/1454

L. Helman
Adv.

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3034 / 11 / 161

h. Nelson
bag.

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A1838

INDOCHINA - N/L SUHARTO (NEW MATERIAL)
WASHINGTON, MAY 24, AAP -- AMERICAN AND SOUTH VIETNAMESE
FORCES AS WELL AS COMMUNIST TROOPS SHOULD BE WITHDRAWN FROM
CAMBODIA, ACCORDING TO INDONESIAN PRESIDENT SUHARTO, UNITED
PRESS INTERNATIONAL REPORTED.

PRESIDENT SUHARTO, SCHEDULED TO PAY A COURTESY FAREWELL
CALL ON PRESIDENT NIXON TODAY, TOLD NEWSMEN AT A RECEPTION AT
THE INDONESIAN EMBASSY YESTERDAY: "I BELIEVE THAT ALL FOREIGN
FORCES SHOULD BE WITHDRAWN FROM CAMBODIA."

SPEAKING THROUGH AN INTERPRETER, HE ADDED: "THAT WOULD
INCLUDE U.S. AND SOUTH VIETNAMESE FORCES AS WELL AS COMMUNIST
TROOPS."

SOURCES CLOSE TO PRESIDENT SUHARTO SAID HE HAD BEEN ASSURED
ALL AMERICAN TROOPS WOULD BE OUT OF CAMBODIA BY JUNE 30.

AT THE SAME TIME, HOWEVER, PRESIDENT SUHARTO EXPRESSED
BELIEF THAT "THE ACHIEVEMENT OF SOUTH VIETNAMESE AND U.S.
FORCES IN CAMBODIA WILL ACCELERATE THE VIETNAMISATION PROCESS."
MORE 1975:RL



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Indochina
Kala

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CAAP397

N/L SUHARTO 2 WASHINGTON

INDONESIAN FOREIGN MINISTER ADAM MALIK SAID THIS DID NOT CONSTITUTE APPROVAL OF U.S. ACTION IN CAMBODIA.

"WE DON'T NECESSARILY APPROVE, BUT WE UNDERSTAND VIETNAMISATION BECAUSE THAT IS THE PROCESS THAT WILL GET YOU OUT OF VIETNAM," MR MALIK SAID.

HE ADDED THAT ANY POSTPONEMENT OF THE WITHDRAWAL OF AMERICAN FORCES FROM CAMBODIA BEYOND JUNE 30 DUE TO INCREASED COMMUNIST PRESSURE "WOULD BE UNDERSTANDABLE."

BUT HE STRESSED THAT "INDONESIA HAS NEVER FAVORED FOREIGN TROOPS OPERATING IN A COUNTRY. YOU ALL SHOULD REMEMBER THAT."

MR MALIK SAID THE WITHDRAWAL OF U.S. TROOPS FROM VIETNAM SHOULD BE AN ORDERLY, PHASED PROCESS. "DON'T JUST PULL OUT AND LEAVE THE OTHER SIDE THERE," HE SAID. "SHOW YOUR MUSCLE."

PRESIDENT SUHARTO ALSO OUTLINED HIS VIEWS ON SOUTHEAST ASIA IN A 20-MINUTE PRIVATE MEETING WITH THE SENATE FOREIGN RELATIONS COMMITTEE.

SOMEMEMBERS LATER EXPRESSED BELIEF THAT HE FAVOURED KEEPING AMERICAN FORCES IN CAMBODIA UNTIL PEACE WAS REACHED UNLESS THE COMMUNISTS ALSO WITHDREW FROM CAMBODIA.

MORE 1939:RL



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h. Hekerman

K21A

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AAP 708

N/L SUHARTO 7 WASHINGTON

EARLIER, PRESIDENT SUHARTO TOLD THE NATIONAL PRESS CLUB THAT
"OTHER FOREIGN TROOPS" MUST BE PREVENTED FROM REPLACING
AMERICAN FORCES WHEN THEY WITHDRAW FROM SOUTHEAST ASIA.

HE URGED ALL FOREIGN FORCES TO BE WITHDRAWN FROM CAMBODIA,
BUT ADDED: "THE WITHDRAWAL OF AMERICAN TROOPS FROM SOUTHEAST
ASIA, HOWEVER, SHOULD NOT MEAN THE ARRIVAL OF OTHER FOREIGN
TROOPS TO TAKE THEIR PLACE. THIS MUST BE PREVENTED."

HE OFFERED NO SUGGESTIONS AS TO HOW THAT PREVENTION COULD BE
ACCOMPLISHED.

PRESIDENT SUHARTO DID NOT NAME ANY PARTICULAR POWER BLOCK
OR BLAME ANY SPECIFIC NATION FOR THE FIGHTING IN SOUTHEAST
ASIA, BUT HE SAID: "IF WE REALLY DESIRE PEACE, THEN THE
PHYSICAL OCCUPATION OF A NATION BY ANOTHER SHOULD BE STOPPED."

(EDS: SEE AAP106 D/L SUHARTO AT 0542)

AAP 1969:RL



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UPI 1961

CREDIT 5/83

WITH SUHARTO

WASHINGTON (UPI)—THE INTERNATIONAL DEVELOPMENT ASSOCIATION

(IDA) WEDNESDAY ANNOUNCED APPROVAL OF A 17 MILLION U.S. DOLLARS (15 MILLION AUSTRALIAN DOLLARS) CREDIT LOAN TO INDONESIA TO HELP RESTORE THAT NATION'S AGRICULTURAL ESTATES.

THE ANNOUNCEMENT, WHICH COINCIDED WITH THE VISIT HERE OF INDONESIAN PRESIDENT SUHARTO, SAID THE CREDIT WOULD HELP FINANCE THE REHABILITATION AND EXPANSION OF TWO GROUPS OF GOVERNMENT-OWNED ESTATES GROWING OIL PALMS AND RUBBER, AND THE REORGANIZATION OF THE GOVERNMENT AGENCY FOR AGRICULTURAL RESEARCH IN NORTH SUMATRA.

THE LOAN IS THE SECOND FOR RESTORATION OF THE ESTATES, WHICH AT ONE TIME ACCOUNTED FOR ABOUT 60 PER CENT OF THE NATION'S EXPORTS.

WHEN THE ESTATES REACH FULL PRODUCTION IN ABOUT 10 YEARS, THEY ARE EXPECTED TO INCREASE INDONESIA'S NET FOREIGN EXCHANGE EARNINGS BY ABOUT 14 MILLION U.S. DOLLARS (12.5 MILLION AUSTRALIAN DOLLARS) ANNUALLY AND GOVERNMENT REVENUE BY ABOUT 3 MILLION U.S. DOLLARS (2.5 MILLION AUSTRALIAN DOLLARS).

THE PREVIOUS LOAN, FOR 16 MILLION U.S. DOLLARS (14.2 MILLION AUSTRALIAN DOLLARS), WAS MADE A YEAR AGO AND COVERED 22 ESTATES TOTALING 174,000 ACRES. THE LATEST LOAN WILL HELP REHABILITATE 23 ESTATES TOTALING 206,550 ACRES.

THE TWO LOANS TAKEN TOGETHER WILL HELP REHABILITATE ABOUT 85 PER CENT OF THE GOVERNMENT'S OIL PALM ESTATES AND 25 PER CENT OF THE RUBBER ESTATES.

THE LATEST LOAN IS FOR A PERIOD OF 50 YEARS, INCLUDING A 10 YEAR GRACE PERIOD, AND IS INTEREST-FREE BUT CARRIES A THREE-QUARTER OF ONE PER CENT SERVICE CHARGE.--(UPI)

C 959A/ UPI 071W

3034/11/161 L. Helman 1-60.

25A



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UPI-095A

DEMONSTRATIONS 5/29
WITH SUHARTO

WASHINGTON, MAY 27 (UPI)--AN ESTIMATED 25 YOUNG AMERICANS
PROTESTED THE INTERNAL POLICIES OF INDONESIAN PRESIDENT
SUHARTO WEDNESDAY AS HE ARRIVED TO SPEAK AT THE NATIONAL PRESS
CLUB.

THE DEMONSTRATORS CARRIED PLACARDS AND BANNERS READING
+SUHARTO IS A MURDERER+ AND +FREE 120,000 POLITICAL PRISONERS.+
SUHARTO EVENTUALLY OUSTED FORMER PRESIDENT SUKARNO FROM
POWER FOLLOWING THE FAILURE OF AN ATTEMPTED COMMUNIST COUP
IN OCTOBER 1965.

IN THE AFTERMATH MASSIVE ARRESTS OF COMMUNISTS OR
SYMPATHIZERS OCCURRED, AND MASSACRES HAPPENED IN THE COUNTRYSIDE.
ACCORDING TO UNOFFICIAL ESTIMATES, FROM 300,000 TO 500,000
PERSONS, MANY OF CHINESE ETHNIC BACKGROUND, WERE KILLED.

SECURITY GUARDS RUSHED SUHARTO AND FOREIGN MINISTER ADAM
MALIK PAST THE DEMONSTRATORS AND INTO THE NATIONAL PRESS
BUILDING. BOTH SUHARTO AND MALIK IGNORED THE GROUP.

--(UPI)

5/627-A/138W

3034/11/161

k. keleny
253 do.



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3034/11/161

Heckman
120.
257

AAP348

INDOCHINA - N/L SUHARTO (WITH NEW MATERIAL)

WASHINGTON, MAY 27, AAP-REUTERS - PRESIDENT SUHARTO OF INDONESIA TOLD PRESIDENT NIXON LAST NIGHT THAT FOR THE SAKE OF PEACE AND STABILITY IN INDOCHINA ALL FOREIGN TROOPS SHOULD BE WITHDRAWN FROM CAMBODIAN SOIL.

THE INDONESIAN LEADER SAID IN A TOAST AT A FORMAL WHITE HOUSE DINNER IN HIS HONOUR THAT IN ASIA, "INSTEAD OF THE PEACE WE HAVE HOPED FOR, THE THREAT OF A NEW WAR IS SPREADING."

"CAMBODIA IS NOW BEING ENGULFED IN THE FIRES OF WAR," PRESIDENT SUHARTO SAID. AT ISSUE WAS A THREAT AGAINST THE SOVEREIGNTY AND INTEGRITY OF A NATION AND THE RIGHT OF THE KHME

PEOPLE TO MAINTAIN THE NEUTRALITY THEY HAVE CHOSEN.

THE INDONESIAN LEADER DID NOT SPECIFICALLY MENTION THE U.S. AND SOUTH VIETNAMESE TROOPS NOW IN CAMBODIA, NOR THE NORTH VIETNAMESE FORCES WHICH HAVE USED CAMBODIA FOR SUPPLY BASES IN THE FIGHTING AGAINST SOUTH VIETNAM.

BUT HE SAID: "WE CANNOT AFFORD JUST TO WAIT, FOR THE SAKE OF PEACE AND STABILITY IN SOUTHEAST ASIA.

ALL EFFORTS SHOULD BE TAKEN TO PREVENT THE WAR FROM WIDENING AND TO INSURE THE PRESERVATION OF CAMBODIA'S RIGHT TO SOVEREIGNTY AND NEUTRALITY, AMONG OTHER THINGS, BY EFFECTING THE WITHDRAWAL OF ALL FOREIGN FORCES FROM CAMBODIAN TERRITORY."

MORE 1600 27/5 LM.



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SCANNING THIS ITEM AT A HIGHER RESOLUTION WILL NOT IMPROVE ITS LEGIBILITY.

h. McLeann 10/20

AAP 947

251

N/L SHUARTO 9 WASHINGTON

PRESIDENT NIXON, IN HIS TOAST, MADE NO MENTION OF PRESIDENT SUHARTO'S CALL FOR A TROOP PULLOUT, BUT DID SAY THE UNITED STATES AND INDONESIA WERE UNITED ON THE PRINCIPLES THAT ALL PEOPLE SHOULD BE FREE OF FOREIGN DOMINATION AND PERMITTED TO LIVE IN PEACE.

UNITED PRESS INTERNATIONAL REPORTED MR NIXON COMPARED PRESIDENT SUHARTO TO ABRAHAM LINCOLN AND CALLED HIM "THE MAN OF THE HOUR FOR INDONESIA."

DURING HIS OFFICIAL WELCOME EARLIER ON THE WHITE HOUSE LAWN, MR. NIXON PRAISED THE RECENT CONFERENCE OF 11 ASIAN NATIONS HOSTED BY INDONESIA AS AN EXAMPLE OF ASIANS' ATTEMPTING TO FIND SOLUTIONS FOR ASIAN PROBLEMS AND CONTRIBUTING TO PEACE AND SECURITY IN ASIA."

THE NEW YORK TIMES NEWS SERVICE REPORTED PRESIDENT NIXON TOLD PRESIDENT SUHARTO DURING A 90-MINUTE CONFERENCE AFTER THE OFFICIAL WELCOME THAT THE JOINT UNITED STATES SOUTH VIETNAMESE OPERATION IN CAMBODIA WAS A SUCCESS.

THE CONFERENCE WAS THE FIRST OF TWO MEETINGS SCHEDULED DURING PRESIDENT SHUARTO'S THREE-DAY STAY IN WASHINGTON. HE IS ON A WEEK-LONG STATE VISIT TO THE U.S.

WHITE HOUSE PRESS SECRETARY RONALD ZIEGLER, WHO SAID MR NIXON TOLD PRESIDENT SUHARTO OF THE PURPOSE AND SUCCESS OF THE OPERATION IN CAMBODIA, REPORTED THAT THE INDONESIAN LEADER REPEATED TODAY THE RECOMMENDATIONS OF THE DJAKARTA CONFERENCE.
MORE 1625 27/5 LM.



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SCANNING THIS ITEM AT A HIGHER RESOLUTION WILL NOT IMPROVE ITS LEGIBILITY.

Lickeman
250 Ld R.

AAP364

W/L SUHARTO 3 WASHINGTON
OTHER OFFICIALS SAID HE ALSO CONVEYED TO MR NIXON
INDONESIA'S HOPE THAT THE UNITED NATIONS MAY BE BROUGHT IN
SOME FORM INTO THE PEACE-MAKING EFFORTS FOR INDOCHINA IN
ADDITION TO THE POSSIBILITY OF RECONVENING THE GENEVA
CONFERENCE.

OFFICIALS INDICATED THAT THE U.S. WAS NOT
PRESSING INDONESIA TO PROVIDE THE CAMBODIAN REGIME OF
PREMIER LON NOL WITH ARMS OR AMMUNITION ALTHOUGH THE
ADMINISTRATION HAD HOPED EARLIER THAT DJAKARTA WOULD RESPOND
FAVORABLY TO CAMBODIA'S APPEAL FOR MILITARY AID.

UNDER THE PRESENT CIRCUMSTANCES, OFFICIALS INDICATED, THE
U.S. PREFERS TO SEE INDONESIA, THE LARGEST NONCOMMUNIST
NATION IN SOUTHEAST ASIA, MAINTAIN ITS DIPLOMATIC AND
POLITICAL LEADERSHIP IN THE AREA.
THE WHITE HOUSE DID NOT DISCLOSE PRESIDENT NIXON'S REACTION
TO WHATEVER SPECIFIC IDEAS PRESIDENT SUHARTO MAY HAVE OFFERED,
BUT THE U.S. HAD HISTORICALLY OPPOSED THE INVOLVEMENT OF THE
U.N. IN THE VIETNAMESE WAR.

THIS WOULD PRESUMABLY APPLY TO THE NOW ENLARGED INDOCHINA
WAR, THE OFFICIALS SAID.
(EDS: SEE AAP 175 D/L SUHARTO AT 0800)
AAP

1737

27/5/70

ND



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3034/11/161

DEPARTMENT OF EXTERNAL AFFAIRS

INWARD CABLEGRAM

249

RESTRICTED

MW 3

I.58468

FROM

TOD 27.5.70...1918 LT

AUSTRALIAN EMBASSY
WASHINGTON

TOR 28.5.70...0945 LT

RESTRICTED

ADDRESSED CANBERRA 3107 REPEATED DJAKARTA OP.525.

INDONESIA .. SOEHARTO VISIT TO WASHINGTON.

THERE WAS NOTHING OF PARTICULAR INTEREST IN SOEHARTO'S ADDRESS TO THE NATIONAL PRESS CLUB IN WASHINGTON ON 27TH MAY 1970 NOR IN HIS ANSWERS TO QUESTIONS.

COPIES OF HIS ADDRESS ARE BEING SENT BY NEXT NON-SAFE HAND AIR BAG NO.540 ON 28TH MAY.

MIN. AND DEPT OF E.A.
MIN. AND DEPT OF DEFENCE
J.I.O.
D.C.O.
P.M.'S

RESTRICTED

SEC DEP SEC FAS(1) INT SEA M AND IG M DL FAS(2)
PACAM AM FAS(3) ER AID FAS(4) EAMEC E ICR PIO

DJAKARTA

UPI-187X

SUHARTO 6/2

1ST LD UPI-116 (PVS WATERFORD, CALIFORNIA)

SAN FRANCISCO, JUNE 1 (UPI)--INDONESIA PRESIDENT SUHARTO WARNED TONIGHT THAT WITHOUT ACCELERATED ECONOMIC DEVELOPMENT IN SOUTHEAST ASIA, POLITICAL STABILITY WOULD BE IMPOSSIBLE AND CONTINUED OUTSIDE MILITARY INVOLVEMENT MIGHT BE THE RESULT.

SPEAKING ON THE EVE OF HIS DEPARTURE FOR DJAKARTA AFTER A WEEK-LONG AMERICAN TOUR THAT INCLUDED TALKS WITH PRESIDENT NIXON, SUHARTO SAID SOUTHEAST ASIA WILL BE +ONE OF THE MOST IMPORTANT THEATRES OF CHANGE IN THE COMING DECADE.

+IT IS ONLY AFTER A PERIOD OF ACCELERATED DEVELOPMENT OF THE POOR ASIAN NATIONS THAT WE CAN HOPE TO SEE A MORE PEACEFUL AND PROMISING FUTURE EMERGE,+ HE SAID.

+INASMUCH AS THE INSTABILITY OF THE REGION IS A FUNCTION OF ITS ECONOMIC BACKWARDNESS, THE ACCELERATION OF ECONOMIC DEVELOPMENT WILL THEREFORE CONTRIBUTE NOT ONLY TO THE STABILITY OF THE REGION BUT ALSO TO THE STABILITY OF ASIA AND THE WORLD IN GENERAL.+

SUHARTO SAID REGIONAL COOPERATION IN THE DEVELOPMENT PROCESS WAS A NECESSITY. HE ALSO APPEALED FOR COLLECTIVE INTERNATIONAL EFFORTS IN AID TO THE REGION.

BUT HE SAID DEVELOPMENT WILL BE DIFFICULT BECAUSE +THE MAIN THRUST WILL HAVE TO BE OURS AND THE MAIN BURDEN WE OURSELVES WILL HAVE TO BEAR.+

(MORE) RS/11:59A/228W

3034/11/161 L. Kesterman 1219

248

~~Hebermann~~
1212

247

HE POINTED TO THE ASSOCIATION OF SOUTHEAST ASIAN NATIONS (ASEAN) AS A SPRINGBOARD FOR REGIONAL COOPERATION. HE SAID THE ASSOCIATION REFLECTS THE WILL AND DETERMINATION OF ITS PARTICIPANTS TO SHAPE THEIR OWN FUTURE AND NOT TO LET THAT FUTURE DEPEND ON EXTERNAL FACTORS.

THE PRESIDENT SAID HIS REGIME ALSO FOCUSED ON INSTITUTIONAL REFORMS TO IMPROVE GOVERNMENTAL AND ECONOMIC EFFICIENCY.

+WE ARE IN THE PROCESS OF REVISING OUR TAX STRUCTURE AND OF STRENGTHENING OUR BANKING SYSTEM, AND OF MODERNIZING OUR LEGAL CODES, ESPECIALLY AS THEY RELATE TO MODERN BUSINESS AND ECONOMIC ACTIVITIES," HE SAID.

SUHARTO PRaised the role of private foreign investors in the Indonesian development, and invited them to look at the fields of processing and service industries in future investments in his country.

EARLIER TODAY, SUHARTO VISITED A 1,500 ACRE DAIRY RANCH IN WATERFORD IN CALIFORNIA'S CENTRAL VALLEY AND THE WEST COAST'S LARGEST MECHANIZED SHIP TERMINAL AT OAKLAND.

PICKUP 2ND PGH: SUHARTO, HIS WIFE.
RS1204P/52Y

MAY 20, 1970

DEPARTMENT OF STATE
FOR THE PRESS

153-A

246

MEMBERS OF THE OFFICIAL PARTY FOR THE STATE VISIT TO THE UNITED STATES
OF HIS EXCELLENCY THE PRESIDENT OF THE REPUBLIC OF INDONESIA AND
MADAME SOEHARTO

May 26 - June 1, 1970

His Excellency Soeharto
President of the Republic of Indonesia

Madame Soeharto

His Excellency Adam Malik
Minister of Foreign Affairs

Madame Malik

His Excellency H. Alamsjah
State Secretary

His Excellency Professor Widjojo Nitisastro
Chairman, Indonesian National Planning Board

Vice Admiral Sudomo
Chief of Staff, Indonesian Navy

His Excellency Soedharnono
Secretary to the Cabinet

His Excellency Dr. Ch. Anwar Sani
Director General for Political Affairs
Department of Foreign Affairs

His Excellency Suryono Darusman
Ambassador, Chief of Protocol

His Excellency Widya Latif
Special Assistant to the President

His Excellency the Ambassador of Indonesia and
Madame Soedjatmoko

M-1

Widya Latif

MAY 20, 1970

DEPARTMENT OF STATE
FOR THE PRESS

153-A

245

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DEPARTMENT OF STATE
FOR THE PRESS

MAY 20, 1970

153-A

244

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President of the Republic of Indonesia

Madame Soeharto

His Excellency Adam Malik
Minister of Foreign Affairs

Madame Malik

His Excellency H. Alamsjah
State Secretary

His Excellency Professor Widjojo Nitisastro
Chairman, Indonesian National Planning Board

Vice Admiral Sudomo
Chief of Staff, Indonesian Navy

His Excellency Soedharnono
Secretary to the Cabinet

His Excellency Dr. Ch. Anwar Sani
Director General for Political Affairs
Department of Foreign Affairs

His Excellency Suryono Darusman
Ambassador, Chief of Protocol

His Excellency Widya Latif
Special Assistant to the President

His Excellency the Ambassador of Indonesia and
Madame Soedjatmoko

DEPARTMENT OF STATE
FOR THE PRESS

MAY 20, 1970

153-A

243

MEMBERS OF THE OFFICIAL PARTY FOR THE STATE VISIT TO THE UNITED STATES
OF HIS EXCELLENCY THE PRESIDENT OF THE REPUBLIC OF INDONESIA AND
MADAME SOEHARTO

May 26 - June 1, 1970

His Excellency Soeharto
President of the Republic of Indonesia

Madame Soeharto

His Excellency Adam Malik
Minister of Foreign Affairs

Madame Malik

His Excellency H. Alamsjah
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MAY 20, 1970

DEPARTMENT OF STATE
FOR THE PRESS

3034/11/161
NO. 153

242

PROGRAM FOR THE STATE VISIT TO THE UNITED STATES OF HIS EXCELLENCY THE
PRESIDENT OF THE REPUBLIC OF INDONESIA AND MADAME SOEHARTO

May 26 - June 1, 1970

SUNDAY,
MONDAY, MAY 25

7:00am PDT

His Excellency the President of the Republic of Indonesia and Madame Soeharto and their party will arrive at El Toro Marine Corps Air Station, Anaheim, California on board a Pan American Charter Flight.

8:00am

His Excellency the President of the Republic of Indonesia and Madame Soeharto and their party, accompanied by the Honorable Emil Mosbacher, Jr., Chief of Protocol of the United States, the Assistant Chief of Protocol and Mrs. William R. Codus, will depart El Toro Marine Corps Air Station on board a Special United States Air Force Flight.

3:30pm EDT

Arrival at Langley Air Force Base, Virginia.

3:40pm

Departure from Langley Air Force Base by limousine for Colonial Williamsburg.

4:15pm

Arrival at Colonial Williamsburg.

TUESDAY, MAY 26

9:15am

Departure from Williamsburg on board a Special United States Marine Corps Helicopter Flight for Washington, D.C.

9:55am

Arrival at the President's Park, (Ellipse), Washington, D.C.

M. J. to retain

MAY 20, 1970

DEPARTMENT OF STATE
FOR THE PRESS

3034/11/161
NO. 153

242

PROGRAM FOR THE STATE VISIT TO THE UNITED STATES OF HIS EXCELLENCY THE
PRESIDENT OF THE REPUBLIC OF INDONESIA AND MADAME SOEHARTO

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M-1 to retain

-2-

TUESDAY, MAY 26 (cont)

10:00am

His Excellency the President of the Republic of Indonesia and Madame Soeharto will arrive at the White House where they will be greeted by the President of the United States and Mrs. Nixon, the Acting Secretary of State and Mrs. Richardson, the Chief of Naval Operations and Mrs. Moorer, the Dean of the Diplomatic Corps and Mrs. Sevilla-Sacasa, and other officials. Military honors will be rendered.

10:30am

President Nixon will meet with President Soeharto at the White House.

10:30am Mrs. Nixon and Madame Soeharto will have coffee with members of the Indonesian party and the Welcoming Committee in the Diplomatic Reception Room at the White House. Following the coffee, Madame Soeharto will proceed to Blair House.

Following the meeting, President Soeharto, accompanied by Ambassador Mosbacher, will depart the White House for Blair House.

11:00am Madame Soeharto will receive representatives of the four branches of the Girl Scouts of the United States of America at the Blair House.

12:55pm

President and Madame Soeharto, accompanied by Ambassador Mosbacher, will depart Blair House.

1:00pm

The Vice President of the United States and Mrs. Agnew will give a luncheon in honor of the President of the Republic of Indonesia and Madame Soeharto at the Department of State.

3:15pm

President Soeharto, accompanied by Ambassador Mosbacher, will depart the Department of State for Arlington National Cemetery, Virginia.

-3-

TUESDAY, MAY 26 (cont)

3:15pm Madame Soeharto will depart the Department of State for Children's Hospital, 2125 13th Street, Northwest.

3:30pm

Arrival at Arlington National Cemetery where the President of the Republic of Indonesia will place a wreath at the Tomb of the Unknown Soldier.

3:30pm Arrival at the Children's Hospital 2125 13th Street, Northwest, where Madame Soeharto will tour the wards and hospital facilities.

3:55pm

President Soeharto, accompanied by Ambassador Mosbacher, will depart Arlington National Cemetery for Blair House.

4:00pm

Arrival at Blair House.

4:30pm Departure from Children's Hospital for Blair House.

7:55pm

President and Madame Soeharto, accompanied by Ambassador and Mrs. Mosbacher, will depart Blair House.

8:00pm

The President of the United States and Mrs. Nixon will give a dinner in honor of the President of the Republic of Indonesia and Madame Soeharto at the White House.

Dress: Black tie or National Dress.

WEDNESDAY, MAY 27

9:30am Madame Soeharto will visit the Goodwill Industries headquarters, 1218 New Hampshire Avenue, Northwest.

10:15am

President Soeharto will meet with the Honorable Pierre-Paul Schweitzer, Chairman of the Executive Board, International Monetary Fund, at Blair House.

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WEDNESDAY, MAY 27 (cont)

10:30am Madame Soeharto will tour the National Zoological Park.

11:00am

President Soeharto will meet with the Honorable Robert S. McNamara, President of the International Bank for Reconstruction and Development, at Blair House.

11:30am Madame Soeharto will depart the National Zoological Park for Blair House.

12:25pm

President Soeharto, accompanied by Ambassador Mosbacher, will depart Blair House for the National Press Club Building.

12:30pm

Arrival at the National Press Club Building, 14th and F Streets, Northwest.

The National Press Club will give a luncheon in honor of the President of the Republic of Indonesia.

12:30pm Mrs. Elliot L. Richardson, wife of the Acting Secretary of State, will give a luncheon in honor of Madame Soeharto in the Carousel Room of the Smithsonian Institution.

2:00pm Madame Soeharto will tour the Museum of Science and Technology, Smithsonian Institution.

3:00pm Madame Soeharto will depart the Smithsonian Institution for Blair House.

Following the luncheon, President Soeharto, accompanied by Ambassador Mosbacher, will depart the National Press Club Building for Blair House.

3:25pm

President Soeharto, accompanied by Ambassador Mosbacher, will depart Blair House.

3:30pm

The Senate Foreign Relations Committee will meet with President Soeharto at the Capitol.

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WEDNESDAY, MAY 27 (cont)

Following the meeting, President Soeharto, accompanied by Ambassador Mosbacher, will depart the Capitol and return to Blair House.

5:45pm

President and Madame Soeharto will depart Blair House for the Indonesian Embassy Chancery, 2020 Massachusetts Avenue, Northwest.

6:30pm

The President of the Republic of Indonesia and Madame Soeharto will receive Chiefs of Missions and Officials of the United States Government at the Indonesian Embassy Chancery.

7:00pm

His Excellency the Ambassador of Indonesia and Madame Soedjatmoko will give a reception in honor of the President of the Republic of Indonesia and Madame Soeharto in East Room of the Mayflower Hotel.

THURSDAY, MAY 28

8:00am

President Soeharto will attend a Congressional Prayer Breakfast at the Capitol.

9:55am

President Soeharto, accompanied by Ambassador Mosbacher, will depart Blair House for the White House.

10:00am

President Nixon will meet with President Soeharto at the White House.

10:00am Madame Soeharto, accompanied by Mrs. Mosbacher and members of the official party, will depart Blair House for Andrews Air Force Base by limousine.

Following the meeting, President Soeharto, accompanied by Ambassador Mosbacher, will depart the White House for the President's Park (Ellipse) where he will board a Special United States Marine Corps Helicopter for the flight to Andrews Air Force Base.

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THURSDAY, MAY 28 (cont)

11:00am His Excellency the President of the Republic of Indonesia and Madame Soeharto and their party, accompanied by Ambassador and Mrs. Mosbacher, will depart Andrews Air Force Base on board a Special United States Air Force Flight.

12:00noon Arrival at Laguardia Airport, New York.

12:05pm Departure from Laguardia Airport by limousine.

12:45pm Arrival at the United Nations Headquarters.

1:15pm The Secretary General of the United Nations will give a luncheon in honor of the President of the Republic of Indonesia at the United Nations.

1:15pm Madame Roeslan Abdoelgani, wife of the Permanent Representative of the Republic of Indonesia to the United Nations, will give a luncheon in honor of Madame Soeharto at the United Nations.

3:00pm President Soeharto will address a meeting of Asian and African Ambassadors at the United Nations.

3:00pm Madame Soeharto will depart the United Nations for a tour of New York.

3:30pm President Soeharto will depart the United Nations for the Waldorf Towers, Park Avenue and 50 Street.

3:35pm Arrival at the Waldorf Towers.

4:00pm Madame Soeharto will arrive at the Waldorf Towers.

6:00pm The Honorable John V. Lindsay, Mayor of the City of New York, will pay a call on the President of the Republic of Indonesia at the Waldorf Towers.

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THURSDAY, MAY 28 (cont)

6:45pm

President and Madame Soeharto, accompanied by Ambassador and Mrs. Mosbacher, will depart the Waldorf Towers.

7:00pm

Arrival at the New York Hilton, Avenue of the Americas and 53 Street.

The Asia Society will give a dinner in honor of the President of the Republic of Indonesia and Madame Soeharto in the Grand Ballroom of the New York Hilton.

Dress: Black tie or National Dress

Immediately following the dinner, Mr. James Linen, Chairman of the Executive Committee of Time Inc., will host a reception in honor of the President of the Republic of Indonesia and Madame Soeharto in the West Penthouse of the New York Hilton.

FRIDAY, MAY 29

10:00am Madame Soeharto will tour the Metropolitan Museum of Art.

11:10am

Departure from the Waldorf Towers.

11:15am

Arrival at the East 61 Street Heliport.

His Excellency and Madame Soeharto and party will depart New York City on board a Special United States Marine Corps Helicopter.

12:30pm

The Ambassador of the Republic of Indonesia to the United Nations and Madame Roeslan Abdoelgani and the Consul General of the Republic of Indonesia and Madame Jusuf Ramli will give a luncheon in honor of the President of the Republic of Indonesia and Madame Soeharto at the residence of the Consul General, 117 Overlook Circle, New Rochelle, New York.

3:30pm

Departure from New Rochelle on board a Special United States Marine Corps Helicopter.

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FRIDAY, MAY 29 (cont)

3:50pm Arrival at John F. Kennedy International Airport.

4:00pm His Excellency the President of the Republic of Indonesia and Madame Soeharto and their party, accompanied by Ambassador and Mrs. Mosbacher, will depart John F. Kennedy International Airport

6:00pm His Excellency the President of the Republic of Indonesia and Madame Soeharto and their party will arrive at McGhee-Tyson Airport, Knoxville, Tennessee.

6:05pm Departure from McGhee-Tyson Airport

6:15pm Arrival at the Andrew Johnson Hotel, Knoxville, Tennessee.

Private Dinner.

9:00pm Officials of the Tennessee Valley Authority will brief President Soeharto at the Andrew Johnson Hotel.

SATURDAY, MAY 30

9:00am President and Madame Soeharto, accompanied by Ambassador and Mrs. Mosbacher, will depart the Andrew Johnson Hotel for Fort Loudon Dam.

9:30am Arrival at Fort Loudon Dam. Tour of the electrical power plant, flood control and recreation facilities.

10:30am Departure from Fort Loudon Dam.

11:00am Arrival at Bull Run Steam Power Plant. Tour of the Plant and Pollution Control Center.

11:30am Departure from Bull Run.

11:45am Arrival at the Holiday Inn, Oak Ridge.

SATURDAY, MAY 30 (cont)

12:00noon Mr. A.J. Waggoner, Chairman of the Tennessee Valley Authority, will give a luncheon in honor of the President of the Republic of Indonesia and Madame Soeharto at the Holiday Inn, Oak Ridge, Tennessee.

2:00pm Departure from Oak Ridge.

2:30pm Arrival at the Maryville Co-operative Center, Tennessee Farmers Co-operative Federation. Tour of co-operatives, production and distribution facilities.

3:00pm Departure from Maryville.

3:15pm Arrival at McGhee-Tyson Airport, Knoxville, Tennessee.

3:30pm His Excellency the President of the Republic of Indonesia and Madame Soeharto and their party will depart Tennessee on board a Special United States Air Force Flight for Anaheim, California.

6:30pm His Excellency the President of the Republic of Indonesia and Madame Soeharto and their party will arrive at El Toro Marine Corps Air Station, Anaheim, California.

6:40pm Departure from El Toro Marine Corps Air Station by motorcade for hotel.

7:00pm Arrival at the Disneyland Hotel, Anaheim, California.

Private evening.

SUNDAY, MAY 31

9:00am Departure from hotel for Disneyland.
Tour and lunch at Disneyland.

2:30pm Departure from Disneyland and return to hotel.

-10-

SUNDAY, MAY 31 (cont)

3:30pm Departure from Disneyland Hotel.

3:50pm Arrival at El Toro Marine Corps Air Station.

4:00pm Departure from El Toro Marine Corps Air Station on board a Special United States Air Force Flight.

5:00pm His Excellency the President of the Republic of Indonesia and Madame Soeharto and their party will arrive at San Francisco International Airport.

5:30pm Departure from San Francisco International Airport.

6:00pm Arrival at the St. Francis Hotel, Union Square, San Francisco.

7:45pm Departure from the St. Francis Hotel.

8:00pm The Consul General of the Republic of Indonesia and Madame Badgja Nitidiwirja will give a dinner in honor of the President of the Republic of Indonesia and Madame Soeharto at their residence, 3505 Jackson Street.

MONDAY, JUNE 1

8:30am Departure from the St. Francis Hotel.

9:00am Arrival at Oakland Harbor. Tour of containerization process.

10:00am Departure from Oakland Harbor.

12:00noon Arrival at Wes Sawyer's Ranch, 600 Robert's Ferry Road, Waterford, California.

Barbeque lunch will be served.

1:00pm Tour of the farming sections of the ranch.

3:00pm Departure from Wes Sawyer's Ranch.

5:00pm Arrival at the St. Francis Hotel.

MONDAY, JUNE 1 (cont)

7:20pm

Departure from the St. Francis Hotel.

7:30pm

Arrival at the Mark Hopkins Hotel.

The San Francisco Greater Chamber of Commerce will host a reception in honor of the President of the Republic of Indonesia and Madame Soeharto in the Mark Hopkins Hotel.

8:00pm

The San Francisco Greater Chamber of Commerce will give a dinner in honor of the President of the Republic of Indonesia and Madame Soeharto in the Grand Ballroom of the Mark Hopkins Hotel.

Dress: Black tie or National Dress

TUESDAY, JUNE 2

8:15am

Departure from the St. Francis Hotel.

8:45am

Arrival at San Francisco International Airport.

9:00am

His Excellency the President of the Republic of Indonesia and Madame Soeharto and their party will depart San Francisco International Airport on board a Special Pan American Charter Flight

UPI-ODRK

SUHARTO 5/29

URGENT 5/29/69

BY JOHN F. BARTON

WASHINGTON, MAY 29 (UPI)-- PRESIDENT NIXON BADE FAREWELL TO
INDONESIAN PRESIDENT SUHARTO TODAY AFTER DISCUSSING SOUTHEAST
ASIA PROBLEMS DURING A 70-MINUTE MEETING AT THE WHITE HOUSE.
AFTER ESCORTING SUHARTO THROUGH THE WHITE HOUSE ROSE GARDEN TO A
WAITING LIMOUSINE, NIXON SAID THEIR TALKS WENT +VERY WELL.+
THEIR MEETING LASTED MUCH LONGER THAN SCHEDULED. SUHARTO HAD
BEEN SCHEDULED TO DEPARTMENT ANDREWS AIR FORCE BASE FOR NEW YORK
AT 1500GMT BUT HE DID NOT LEAVE THE WHITE HOUSE UNTIL 1510GMT.
(MORE) JS1139P008W

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UPI-001-X

SUHARTO 5/29

1ST ADD SUHARTO WASHINGTON (UPI-000X) X X X 1510 GMT.

NO COMMUNIQUE WAS ISSUED IN LINE WITH A NIXON ADMINISTRATION PREFERENCE NOT TO ISSUE COMMUNIQUE UNLESS REQUESTED BY THE VISITING HEAD OF STATE.

SUHARTO GAVE NIXON A CARVED, WHITE IVORY ELEPHANT AS A MEMENTO DURING THEIR MEETING TODAY.

REFLECTING THE INCREASED POMP AND CEREMONY WHICH NIXON HAS ORDERED FOR OFFICIAL STATE VISITS, A 21-GUN SALUTE WAS SOUNDED AS HE ESCORTED SUHARTO TO THE WAITING BLACK LIMOUSINE. THE MARINE DRUM AND BUGLE CORPS, DRESSED IN BRILLIANT RED TUNICS AND WHITE TROUSERS, PRECEDED THE PRESIDENTIAL LIMOUSINE IN A PROCESSION TO THE GATES OF THE WHITE HOUSE GROUNDS.

SUHARTO TOLD REPORTERS WEDNESDAY NIGHT THAT AMERICAN AND SOUTH VIETNAMESE FORCES AS WELL AS COMMUNIST TROOPS SHOULD BE WITHDRAWN FROM CAMBODIA.

SPEAKING INFORMALLY THROUGH AN INDONESIAN INTERPRETER AT A RECEPTION HE GAVE AT THE INDONESIAN EMBASSY, SUHARTO SAID: +I BELIEVE THAT ALL FOREIGN FORCES SHOULD BE WITHDRAWN FROM CAMBODIA. THAT WOULD INCLUDE U.S. AND SOUTH VIETNAMESE AS WELL AS COMMUNIST TROOPS.+

AT THE SAME TIME, HOWEVER, SUHARTO EXPRESSED BELIEF THAT +THE ACHIEVEMENT OF SOUTH VIETNAMESE AND U.S. FORCES IN CAMBODIA WILL ACCELERATE THE VIETNAMIZATION PROCESS.+ -(UPI)-

-TP/1247AM/014W-

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1205

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UPI-031-X

SUHARTO 5/29
1ST LEAD (UPI-031-X)

BY JOHN F. BARTON

WASHINGTON MAY 29 (UPI)—WHITE HOUSE OFFICIALS SAID TODAY THE DISCUSSIONS BETWEEN PRESIDENT NIXON AND INDONESIAN PRESIDENT SUHARTO PROVED TO BE A VERY FRUITFUL VISIT.

WHITE HOUSE PRESS SECRETARY RONALD ZIEGLER TOLD NEWSMEN THAT THE PRESIDENT THOUGHT IT WAS WORTHWHILE BECAUSE HE HAD BEEN ANXIOUS TO RECEIVE SUHARTO'S VIEWS ON SOUTHEAST ASIA. SUHARTO, WHO URGED DURING HIS VISIT THAT ALL FOREIGN FORCES BE WITHDRAWN FROM CAMBODIA, HAD HOSTED A 32-NATION CONFERENCE IN JAKARTA CONCERNING CAMBODIA.

DURING HIS TWO MEETINGS WITH NIXON, SUHARTO INFORMED NIXON OF THE CONFERENCE'S RECOMMENDATIONS WHICH INCLUDED WITHDRAWAL OF ALL FOREIGN FORCES AND THE REACTIVATION OF THE INTERNATIONAL CONTROL COMMISSION (ICC) IN CAMBODIA. ZIEGLER SAID, THE PRESIDENT REGARDS PRESIDENT SUHARTO AS ONE OF THE ABLEST LEADERS IN ASIA.

AFTER ESCORTING SUHARTO TO A LIMOUSINE FOLLOWING THEIR FINAL MEETING THIS MORNING, NIXON, IN AN aside TO REPORTERS, SAID THE TALKS WENT VERY WELL.

(PICKUP 3RD PGH: THEIR MEETING)

-TP/1401N/035W-

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UPI-037-X

SUHARTO 5/29

END LEAD (UPI-031-X -PVA WASHINGTON)

UNITED NATIONS, MAY 29 (UPI)--PRESIDENT SUHARTO OF INDONESIA ARRIVED TODAY AT U.N. HEADQUARTERS FOR AN OFFICIAL VISIT.

HE WAS GREETED BY SECRETARY GENERAL THANT AND OTHER HIGH U.N. OFFICIALS AND ESCORTED IMMEDIATELY TO THE 36TH FLOOR FOR A 30 MINUTE CONFERENCE WITH THE SECRETARY GENERAL.

WITH SUHARTO WERE INDONESIAN FOREIGN MINISTER ADAM MALIK AND AMBASSADOR DR. HADJI ROESLAN ABDULGANI.

AFTER HIS CONFERENCE WITH THANT, THE INDONESIAN PRESIDENT WAS TO ATTEND A LUNCHEON GIVEN BY THANT, MEET WITH THE INDONESIA U.N. EMPLOYEES AND ADDRESS A MEETING OF THE AFRO-ASIAN GROUP.

LATER TODAY, SUHARTO WAS TO MEET WITH MAYOR JOHN V. LINDSAY OF NEW YORK AT HIS WALDORF ASTORIA HOTEL SUITE AND TO ADDRESS A DINNER GIVEN IN HIS HONOR BY THE ASIA SOCIETY OF NEW YORK.

SUHARTO ARRIVED AT 12:51 P.M. (1651 GMT) ABOUT SIX MINUTES LATE AND POSED BRIEFLY WITH PHOTOGRAPHERS WITH MADAME SUHARTO, THANT AND THANT'S 29-YEAR-OLD DAUGHTER, AYE AYE.

(PICKUP)

-TP/224AM/053W-

Le. K. K. K. K. K.

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TELEPHONE: (202) 797-3000
TELEGRAPHIC ADDRESS: AUSTEMBA
TELEX: W. U. 069501

3034/11/161
F 1601 MASSACHUSETTS AVE.
WASHINGTON, D. C. 20035

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CONFIDENTIAL

EMBASSY OF AUSTRALIA

IN REPLY QUOTE: 221/11/9

Memorandum No: 677/70

22nd May, 1970.

The Secretary,
Department of External Affairs,
CANBERRA.

Indonesian Debts

We learnt from Masters, State Department this week that the United States would not be in a position to sign a bilateral debt rescheduling agreement with Indoensia before the Soeharto visit to Washington. Departmental lawyers were still arguing about whether legislation was required to put into effect the agreement reached at the April meeting of the Paris Club. The State Department thought not but other Departments took a different view. Masters was hopeful that a public statement of intention to sign an agreement would be issued during Soeharto's visit.

2. A copy of this memorandum is being forwarded to Djakarta.

(A. F. Dingle)
First Secretary

CONFIDENTIAL

Silent battle between US colonels and diplomats

From a Special Correspondent in Jakarta

For Asia is one of the many can money effectively in American war effort in Vietnam, cultivating the friendship of the Pentagon reasoned.

Trains where the American anti-Communist army quarters, Department and the who were also given the benefit of information the CIA acquired against each other.

The Green policy, as formulated in accordance with State at the American Department here, has caused the two sides daily meet, Relations at the news traditional non-aligned have become so ment should be acknowledged that Washington has and respect. Indonesians a colonel as liaison long-term interests. It is between the two factions, thought, are best served if it the Pentagon is in a strong keeps its distance from the world power blocks.

Danger over

The Pentagon was quite satisfied with a policy of neutrality towards Communist coup for Indonesia in the days when a worthy Communist coup the country was in danger of at 1963, because the military no longer agree to falling to the Communists. They called "Marshall Green were especially happy with of the diplomats. At Marshall Green when he succeeded in helping the upper time of the Communist Communists to get the upper hand. But as soon as the Suharto regime had consolidated its "guidance" of the anti-Communist forces has largely squatted for their ultimate victory.

Marshall Green and his Ambassador Green and his it counched students and all groups and extended to a the facilities of the join one of the anti-Communist army for such activities as anti-Communist banners and posters. They used Ameri-

agreement by which Indonesia would send arms and ammunition to Cambodia and be compensated by getting rice material from the US.

Mr Malik, fearing for his non-alignment policy, tried to prevent the arms deal and so far has been successful in this because the State Department stepped in. After urgent appeals from the ambassador, Mr Galbraith, and Marshall Green, the American Government blocked the deal.

Still hoping

But it has not been put off permanently and the fight, both in Washington and at the embassy here, is going on. The Indonesian generals still hope that they will be able to give military support to the anti-Communists in Cambodia. And according to rumours, more than a thousand Indonesian soldiers are ready to be flown to Cambodia.

There are signs that under the influence of President Nixon's actions in Cambodia, the position of the colonels has become stronger and the possibility that the American colonels and the Indonesian generals will drag Indonesia into a Cambodian military adventure still seems real.



EMBASSY OF AUSTRALIA

IN REPLY QUOTE: 221/11/9

Memo No. : 681/70

22nd May, 1970.

The Secretary,
Department of External Affairs,
CANBERRA.

SOEHARTO'S VISIT TO WASHINGTON

.... We refer to our memorandum 673/70 and now attach for your information two copies of a list of the members of the official party for the state visit to the United States of the President of Indonesia, from 26th May to 1st June, 1970.

2. We are forwarding a copy of this memorandum and attachment to Djakarta.

(A.F. Dingle)
First Secretary

228.

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DEPARTMENT OF STATE
FOR THE PRESS

MAY 20, 1970

153-A

MEMBERS OF THE OFFICIAL PARTY FOR THE STATE VISIT TO THE UNITED STATES
OF HIS EXCELLENCY THE PRESIDENT OF THE REPUBLIC OF INDONESIA AND
MADAME SOEHARTO

May 26 - June 1, 1970

His Excellency Soeharto
President of the Republic of Indonesia

Madame Soeharto

His Excellency Adam Malik
Minister of Foreign Affairs

Madame Malik

His Excellency H. Alamsjah
State Secretary

His Excellency Professor Widjojo Nitisastro
Chairman, Indonesian National Planning Board

Vice Admiral Sudomo
Chief of Staff, Indonesian Navy

His Excellency Soedharnono
Secretary to the Cabinet

His Excellency Dr. Ch. Anwar Sani
Director General for Political Affairs
Department of Foreign Affairs

His Excellency Suryono Darusman
Ambassador, Chief of Protocol

His Excellency Widya Latif
Special Assistant to the President

His Excellency the Ambassador of Indonesia and
Madame Soedjatmoko

UPI-108X

EDIT 5/20

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3034/11/161

L. McLean
b1p.

NEW YORK, MAY 23 (UPI)--THE NEW YORK TIMES IN AN EDITORIAL
DAY SAID PRESIDENT SUHARTO'S OPPOSITION TO ANY WIDENING
OF THE INDOCHINA CONFLICT AND IT EMPHASIS ON DIPLOMATIC
RATHER THAN MILITARY, MEASURES TO PRESERVE CAMBODIA'S FRACTURED
NEUTRALITY MERIT RESPECTFUL ATTENTION BECAUSE OF HIS POSITION
AS LEADER OF THE LARGEST NATION IN SOUTHEAST ASIA AS WELL
AS HIS IMPECCABLE ANTI-COMMUNIST CREDENTIALS. 227

THE DAILY ADDED, IN ITS COMMENTS ON THE INDONESIAN LEADER'S
REMARKS AT THE WHITE HOUSE DINNER THIS WEEK:

PRESIDENT NIXON HIMSELF LAID GREAT STRESS ON THE LEADERSHIP
ROLE HE EXPECTED INDONESIA TO PLAY IN ASIA DURING HIS VISIT
TO JAKARTA LAST SUMMER SHORTLY AFTER HE ENUNCIATED HIS NEW
ASIAN DOCTRINE AT GUAM.

THE SUHARTO REMARKS GAIN IN SIGNIFICANCE BECAUSE THEY REFLECT
VIEWS ALSO EXPRESSED IN THE COMMUNIQUE OF ELEVEN ASIAN NATIONS
WHICH MET IN JAKARTA TWO WEEKS AGO TO DISCUSS THE CAMBODIAN
PROBLEM. IT IS ESPECIALLY NOTEWORTHY THAT THESE VIEWS ARE
ALSO THOSE OF JAPAN, WHICH SHARED WITH INDONESIA A PRINCIPAL
ROLE IN THAT CONFERENCE.

+IF PRESIDENT NIXON'S ASIAN DOCTRINE IS TO HAVE MEANING
HE CANNOT IGNORE THE ADVICE OF THESE IMPORTANT AND FRIENDLY
ASIAN STATES WHICH ARE PLAINLY DEEPLY DISTURBED BY THE
THRUST OF RECENT AMERICAN ACTIONS IN THEIR PART OF THE WORLD.
CERTAINLY SUCH ASIAN NEIGHBORS AS INDONESIA, JAPAN AND THE
PHILIPPINES, WHICH HAS RECENTLY TURNED DOWN A CAMBODIAN
REQUEST FOR MILITARY AID, CAN BE NO LESS CONCERNED THAN THE
UNITED STATES ABOUT THE PROSPECTS OF A NORTH VIETNAMESE OR
COMMUNIST CONQUEST OF CAMBODIA.

+THE JAKARTA CONFEREES HAVE INITIATED A BROAD EFFORT
TO REINSTITUTE THE INTERNATIONAL CONTROL COMMISSION FOR CAMBODIA
AND TO CONVENE A NEW GENEVA CONFERENCE ON THE BROADER INDOCHINA
PROBLEM, BOTH DIRECTLY WITH FORMER GENEVA PARTICIPANTS AND
THROUGH THE UNITED NATIONS. IF THIS MOVE COULD GAIN ENOUGH
SUPPORT FROM OTHER NATIONS IN ASIA AND AFRICA AND
PERHAPS ELSEWHERE, IT MIGHT HELP PERSUADE THE RELUCTANT RUSSIANS
TO JOIN BRITAIN IN RECONVENING THE GENEVA CONFERENCE. THE UNITED
STATES COULD GIVE A PUSH IN THIS DIRECTION BY RECONSIDERING
THE ILL-ADVISED ATTEMPT TO +SAVE+ CAMBODIA THROUGH THE USE
IN THAT COUNTRY OF TROOPS OF CAMBODIA'S TRADITIONAL ENEMIES,
SOUTH VIETNAM AND THAILAND.--(U)

AL/1:11P/UPI-244



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APR 20

ECONOMY (WITH D/L SUHARTO)

NEW YORK, MAY 29, AAP REUTER - INDONESIA PRESIDENT SUHARTO TODAY CALLED FOR FOREIGN INVESTMENT IN HIS COUNTRY AND WARNED THAT UNLESS RICH COUNTRIES ASSIST POOR COUNTRIES "ALL OTHER EFFORTS TO ATTAIN LASTING PEACE AND SECURITY WILL PROVE FUTILE INDEED."

ADDRESSING THE ASIA SOCIETY HERE, THE INDONESIA LEADER CALLED FOR "A MUCH GREATER FLOW OF CAPITAL, KNOWLEDGE AND SKILLS... ON A GLOBAL SCALE" AND REDUCTION OF INTERNATIONAL TENSIONS AND MILITARY SPENDING TO ACHIEVE MUTUAL ECONOMIC DEVELOPMENT AND PEACE.

PRESIDENT SUHARTO ADMITTED THAT INDONESIA HAD GONE THROUGH "THE EXTREMES OF ECONOMIC NATIONALISM."

"AND WE HAVE PAID THE PRICE FOR IT," HE SAID.

HOWEVER, THE REPUBLIC WAS STILL COMMITTED TO DEVELOPING ITS OWN ECONOMIC RESOURCES AND CAPABILITIES, AND COULD DO THIS IN CO-OPERATION WITH OTHER COUNTRIES "ON THE BASIS OF EQUALITY, GOOD FAITH AND MUTUAL INTEREST," HE SAID.

MORE 1300 27/5 ON

APR 20

D/L SUHARTO 2 NEW YORK

INDONESIA IS IN THE SECOND YEAR OF A FIVE YEAR DEVELOPMENT PLAN WHICH IS BASED PRIMARILY ON AGRICULTURAL DEVELOPMENT.

IT INCLUDES PROGRAMMES TO REORGANISE THE EDUCATION SYSTEM AND POPULATION DISTRIBUTION.

THE PRESIDENT NOTED THAT HE WAS TRYING TO "SHAPE A NEW NATION OUT OF AN OLD CIVILISATION" AND DID NOT AGREE THAT TRADITIONAL VALUES WERE AN OBSTACLE TO MODERNISATION AND ECONOMIC DEVELOPMENT.

"IT IS THE STRENGTH OF OUR CULTURAL HERITAGE THAT MAY MAKE IT POSSIBLE TO AVOID THE SPIRITUAL CRISES THAT NOW AFFLICT MANY MODERN INDUSTRIAL SOCIETIES -- TO REDUCE DISCONTENT, CONFUSION, SPIRITUAL EMPTINESS... AND PRESERVE THE MEANING WE SEE IN LIFE," PRESIDENT SUHARTO SAID.

AAP REUTER 1300 27/5 ON



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EMBASSY OF AUSTRALIA

CONFIDENTIAL

IN REPLY QUOTE: 221/11/9

Memorandum No: 673/70

22nd May, 1970.

The Secretary,
Department of External Affairs,
CANBERRA.

Soeharto Visit to the United States

....

Attached is the programme for the visit. We asked Masters, State Department, on 19th May how arrangements for the visit were shaping up. He said there were the usual bureaucratic and administrative problems to be overcome but, speaking generally, the visit was coming along all right.

2. Commenting on the visit Masters said that the Indonesian Ambassador, Soedjatmoko, was worried about the call on the Senate Foreign Relations Committee. He was particularly concerned that Senator Fulbright might try to use Soeharto for his own domestic political purposes and might seek to "sandbag" him by asking awkward questions. Masters shares these fears and wonders how Soeharto might handle a question which sought to elicit Soeharto's opinion of the U.S. decision to introduce military forces into Cambodia. If Soeharto approved then Indonesia's non-aligned image would be damaged. If he disapproved, then there were likely to be repercussions in Congress which could damage Indonesian prospects for getting more U.S. economic aid. Maybe Soeharto would be able to get away with an evasive Javanese reply. In answer to a question, Masters said that he thought the original initiative for the Foreign Relations Committee meeting had come from the Indonesians. He thought the meeting would probably be classified as a semi-executive session but this would not reduce the risk of a press leak.

3. A copy of this memorandum, together with the attachment, is being forwarded to Djakarta.

A. F. DINGLE

(A. F. Dingle)
First Secretary

CONFIDENTIAL

MAY 20, 1970

DEPARTMENT OF STATE
FOR THE PRESS

NO. 153

Change
224
AFD

PROGRAM FOR THE STATE VISIT TO THE UNITED STATES OF HIS EXCELLENCY THE
PRESIDENT OF THE REPUBLIC OF INDONESIA AND MADAME SOEHARTO

May 26 - June 1, 1970

SUNDAY,
MONDAY, MAY 25

7:00am PDT

His Excellency the President of the Republic of Indonesia and Madame Soeharto and their party will arrive at El Toro Marine Corps Air Station, Anaheim, California on board a Pan American Charter Flight.

8:00am

His Excellency the President of the Republic of Indonesia and Madame Soeharto and their party, accompanied by the Honorable Emil Mosbacher, Jr., Chief of Protocol of the United States, the Assistant Chief of Protocol and Mrs. William R. Codus, will depart El Toro Marine Corps Air Station on board a Special United States Air Force Flight.

3:30pm EDT

Arrival at Langley Air Force Base, Virginia.

3:40pm

Departure from Langley Air Force Base by limousine for Colonial Williamsburg.

4:15pm

Arrival at Colonial Williamsburg.

TUESDAY, MAY 26

9:15am

Departure from Williamsburg on board a Special United States Marine Corps Helicopter Flight for Washington, D.C.

9:55am

Arrival at the President's Park, (Ellipse), Washington, D.C.

TUESDAY, MAY 26 (cont)

10:00am

His Excellency the President of the Republic of Indonesia and Madame Soeharto will arrive at the White House where they will be greeted by the President of the United States and Mrs. Nixon, the Acting Secretary of State and Mrs. Richardson, the Chief of Naval Operations and Mrs. Moorer, the Dean of the Diplomatic Corps and Mrs. Sevilla-Sacasa, and other officials. Military honors will be rendered.

10:30am

President Nixon will meet with President Soeharto at the White House.

10:30am Mrs. Nixon and Madame Soeharto will have coffee with members of the Indonesian party and the Welcoming Committee in the Diplomatic Reception Room at the White House. Following the coffee, Madame Soeharto will proceed to Blair House.

Following the meeting, President Soeharto, accompanied by Ambassador Mosbacher, will depart the White House for Blair House.

11:00am Madame Soeharto will receive representatives of the four branches of the Girl Scouts of the United States of America at the Blair House.

12:55pm

President and Madame Soeharto, accompanied by Ambassador Mosbacher, will depart Blair House.

1:00pm

The Vice President of the United States and Mrs. Agnew will give a luncheon in honor of the President of the Republic of Indonesia and Madame Soeharto at the Department of State.

3:15pm

President Soeharto, accompanied by Ambassador Mosbacher, will depart the Department of State for Arlington National Cemetery, Virginia.

TUESDAY, MAY 26 (cont)

3:15pm Madame Soeharto will depart the Department of State for Children's Hospital, 2125 13th Street, Northwest.

3:30pm

Arrival at Arlington National Cemetery where the President of the Republic of Indonesia will place a wreath at the Tomb of the Unknown Soldier.

3:30pm Arrival at the Children's Hospital 2125 13th Street, Northwest, where Madame Soeharto will tour the wards and hospital facilities.

3:55pm

President Soeharto, accompanied by Ambassador Mosbacher, will depart Arlington National Cemetery for Blair House.

4:00pm

Arrival at Blair House.

4:30pm Departure from Children's Hospital for Blair House.

7:55pm

President and Madame Soeharto, accompanied by Ambassador and Mrs. Mosbacher, will depart Blair House.

8:00pm

The President of the United States and Mrs. Nixon will give a dinner in honor of the President of the Republic of Indonesia and Madame Soeharto at the White House.

Dress: Black tie or National Dress.

WEDNESDAY, MAY 27

9:30am Madame Soeharto will visit the Goodwill Industries headquarters, 1218 New Hampshire Avenue, Northwest.

10:15am

President Soeharto will meet with the Honorable Pierre-Paul Schweitzer, Chairman of the Executive Board, International Monetary Fund, at Blair House.

WEDNESDAY, MAY 27 (cont)

10:30am Madame Soeharto will tour the National Zoological Park.

11:00am

President Soeharto will meet with the Honorable Robert S. McNamara, President of the International Bank for Reconstruction and Development, at Blair House.

11:30am Madame Soeharto will depart the National Zoological Park for Blair House.

12:25pm

President Soeharto, accompanied by Ambassador Mosbacher, will depart Blair House for the National Press Club Building.

12:30pm

Arrival at the National Press Club Building, 14th and F Streets, Northwest.

The National Press Club will give a luncheon in honor of the President of the Republic of Indonesia.

12:30pm Mrs. Elliot L. Richardson, wife of the Acting Secretary of State, will give a luncheon in honor of Madame Soeharto in the Carousel Room of the Smithsonian Institution.

2:00pm Madame Soeharto will tour the Museum of Science and Technology, Smithsonian Institution.

3:00pm Madame Soeharto will depart the Smithsonian Institution for Blair House.

Following the luncheon, President Soeharto, accompanied by Ambassador Mosbacher, will depart the National Press Club Building for Blair House.

3:25pm

President Soeharto, accompanied by Ambassador Mosbacher, will depart Blair House.

3:30pm

The Senate Foreign Relations Committee will meet with President Soeharto at the Capitol.

WEDNESDAY, MAY 27 (cont)

Following the meeting, President Soeharto, accompanied by Ambassador Mosbacher, will depart the Capitol and return to Blair House.

5:45pm

President and Madame Soeharto will depart Blair House for the Indonesian Embassy Chancery, 2020 Massachusetts Avenue, Northwest.

6:30pm

The President of the Republic of Indonesia and Madame Soeharto will receive Chiefs of Missions and Officials of the United States Government at the Indonesian Embassy Chancery.

7:00pm

His Excellency the Ambassador of Indonesia and Madame Soedjatmoko will give a reception in honor of the President of the Republic of Indonesia and Madame Soeharto in East Room of the Mayflower Hotel.

THURSDAY, MAY 28

8:00am

President Soeharto will attend a Congressional Prayer Breakfast at the Capitol.

9:55am

President Soeharto, accompanied by Ambassador Mosbacher, will depart Blair House for the White House.

10:00am

President Nixon will meet with President Soeharto at the White House.

10:00am Madame Soeharto, accompanied by Mrs. Mosbacher and members of the official party, will depart Blair House for Andrews Air Force Base by limousine.

Following the meeting, President Soeharto, accompanied by Ambassador Mosbacher, will depart the White House for the President's Park (Ellipse) where he will board a Special United States Marine Corps Helicopter for the flight to Andrews Air Force Base.

THURSDAY, MAY 28 (cont)

11:00am His Excellency the President of the Republic of Indonesia and Madame Soeharto and their party, accompanied by Ambassador and Mrs. Mosbacher, will depart Andrews Air Force Base on board a Special United States Air Force Flight.

12:00noon Arrival at Laguardia Airport, New York.

12:05pm Departure from Laguardia Airport by limousine.

12:45pm Arrival at the United Nations Headquarters.

1:15pm The Secretary General of the United Nations will give a luncheon in honor of the President of the Republic of Indonesia at the United Nations.

1:15pm Madame Roeslan Abdoelgani, wife of the Permanent Representative of the Republic of Indonesia to the United Nations, will give a luncheon in honor of Madame Soeharto at the United Nations.

3:00pm President Soeharto will address a meeting of Asian and African Ambassadors at the United Nations.

3:00pm Madame Soeharto will depart the United Nations for a tour of New York.

3:30pm President Soeharto will depart the United Nations for the Waldorf Towers, Park Avenue and 50 Street.

3:35pm Arrival at the Waldorf Towers.

4:00pm Madame Soeharto will arrive at the Waldorf Towers.

6:00pm The Honorable John V. Lindsay, Mayor of the City of New York, will pay a call on the President of the Republic of Indonesia at the Waldorf Towers.

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THURSDAY, MAY 28 (cont)

6:45pm

President and Madame Soeharto, accompanied by Ambassador and Mrs. Mosbacher, will depart the Waldorf Towers.

7:00pm

Arrival at the New York Hilton, Avenue of the Americas and 53 Street.

The Asia Society will give a dinner in honor of the President of the Republic of Indonesia and Madame Soeharto in the Grand Ballroom of the New York Hilton.

Dress: Black tie or National Dress

Immediately following the dinner, Mr. James Linen, Chairman of the Executive Committee of Time Inc., will host a reception in honor of the President of the Republic of Indonesia and Madame Soeharto in the West Penthouse of the New York Hilton.

FRIDAY, MAY 29

10:00am Madame Soeharto will tour the Metropolitan Museum of Art.

11:10am

Departure from the Waldorf Towers.

11:15am

Arrival at the East 61 Street Heliport.

His Excellency and Madame Soeharto and party will depart New York City on board a Special United States Marine Corps Helicopter.

12:30pm

The Ambassador of the Republic of Indonesia to the United Nations and Madame Roeslan Abdoelgani and the Consul General of the Republic of Indonesia and Madame Jusuf Ramli will give a luncheon in honor of the President of the Republic of Indonesia and Madame Soeharto at the residence of the Consul General, 117 Overlook Circle, New Rochelle, New York.

3:30pm

Departure from New Rochelle on board a Special United States Marine Corps Helicopter.

FRIDAY, MAY 29 (cont)

3:50pm Arrival at John F. Kennedy International Airport.

4:00pm His Excellency the President of the Republic of Indonesia and Madame Soeharto and their party, accompanied by Ambassador and Mrs. Mosbacher, will depart John F. Kennedy International Airport

6:00pm His Excellency the President of the Republic of Indonesia and Madame Soeharto and their party will arrive at McGhee-Tyson Airport, Knoxville, Tennessee.

6:05pm Departure from McGhee-Tyson Airport

6:15pm Arrival at the Andrew Johnson Hotel, Knoxville, Tennessee.

Private Dinner.

9:00pm Officials of the Tennessee Valley Authority will brief President Soeharto at the Andrew Johnson Hotel.

SATURDAY, MAY 30

9:00am President and Madame Soeharto, accompanied by Ambassador and Mrs. Mosbacher, will depart the Andrew Johnson Hotel for Fort Loudon Dam.

9:30am Arrival at Fort Loudon Dam. Tour of the electrical power plant, flood control and recreation facilities.

10:30am Departure from Fort Loudon Dam.

11:00am Arrival at Bull Run Steam Power Plant. Tour of the Plant and Pollution Control Center.

11:30am Departure from Bull Run.

11:45am Arrival at the Holiday Inn, Oak Ridge.

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SATURDAY, MAY 30 (cont)

12:00noon Mr. A.J. Waggoner, Chairman of the Tennessee Valley Authority, will give a luncheon in honor of the President of the Republic of Indonesia and Madame Soeharto at the Holiday Inn, Oak Ridge, Tennessee.

2:00pm Departure from Oak Ridge.

2:30pm Arrival at the Maryville Co-operative Center, Tennessee Farmers Co-operative Federation. Tour of co-operatives, production and distribution facilities.

3:00pm Departure from Maryville.

3:15pm Arrival at McGhee-Tyson Airport, Knoxville, Tennessee.

3:30pm His Excellency the President of the Republic of Indonesia and Madame Soeharto and their party will depart Tennessee on board a Special United States Air Force Flight for Anaheim, California.

6:30pm His Excellency the President of the Republic of Indonesia and Madame Soeharto and their party will arrive at El Toro Marine Corps Air Station, Anaheim, California.

6:40pm Departure from El Toro Marine Corps Air Station by motorcade for hotel.

7:00pm Arrival at the Disneyland Hotel, Anaheim, California.

Private evening.

SUNDAY, MAY 31

9:00am Departure from hotel for Disneyland.

Tour and lunch at Disneyland.

2:30pm Departure from Disneyland and return to hotel.

-10-

SUNDAY, MAY 31 (cont)

3:30pm Departure from Disneyland Hotel.

3:50pm Arrival at El Toro Marine Corps Air Station.

4:00pm Departure from El Toro Marine Corps Air Station on board a Special United States Air Force Flight.

5:00pm His Excellency the President of the Republic of Indonesia and Madame Soeharto and their party will arrive at San Francisco International Airport.

5:30pm Departure from San Francisco International Airport.

6:00pm Arrival at the St. Francis Hotel, Union Square, San Francisco.

7:45pm Departure from the St. Francis Hotel.

8:00pm The Consul General of the Republic of Indonesia and Madame Badgja Nitidwirja will give a dinner in honor of the President of the Republic of Indonesia and Madame Soeharto at their residence, 3505 Jackson Street.

MONDAY, JUNE 1

8:30am Departure from the St. Francis Hotel.

9:00am Arrival at Oakland Harbor. Tour of containerization process.

10:00am Departure from Oakland Harbor.

12:00noon Arrival at Wes Sawyer's Ranch, 600 Robert's Ferry Road, Waterford, California.

Barbeque lunch will be served.

1:00pm Tour of the farming sections of the ranch.

3:00pm Departure from Wes Sawyer's Ranch.

5:00pm Arrival at the St. Francis Hotel.

MONDAY, JUNE 1 (cont)

7:20pm

Departure from the St. Francis Hotel.

7:30pm

Arrival at the Mark Hopkins Hotel.

The San Francisco Greater Chamber of Commerce will host a reception in honor of the President of the Republic of Indonesia and Madame Soeharto in the Mark Hopkins Hotel.

8:00pm

The San Francisco Greater Chamber of Commerce will give a dinner in honor of the President of the Republic of Indonesia and Madame Soeharto in the Grand Ballroom of the Mark Hopkins Hotel.

Dress: Black tie or National Dress

TUESDAY, JUNE 2

8:15am

Departure from the St. Francis Hotel.

8:45am

Arrival at San Francisco International Airport.

9:00am

His Excellency the President of the Republic of Indonesia and Madame Soeharto and their party will depart San Francisco International Airport on board a Special Pan American Charter Flight

UPI-298X

SUHARTO 5/26

URGENT

1ST LD UPI-120X

WASHINGTON, MAY 26 (UPI)--PRESIDENT SUHARTO OF INDONESIA SAID TODAY ON ARRIVAL AT THE WHITE HOUSE THAT EFFORTS ARE NEEDED FOR +RESTORATION OF PEACE AND STABILITY+ IN SOUTHEAST ASIA. IN PREMARKED REMARKS AT A CEREMONY WHERE HE WAS WELCOMED BY PRESIDENT NIXON, SUHARTO TOLD THE PRESIDENT: +IT IS MY SINCERE HOPE THAT THIS VISIT WILL CONTINUE TO THE STRENGTHENING OF FRIENDSHIP BETWEEN OUR TWO COUNTRIES AND PEOPLES, WHICH I AM SURE, WILL BE USEFUL IN SOLVING THE PROBLEMS WE ARE BOTH FACING, AS WELL AS THE WORLD IN GENERAL.+ SUHARTO SAID HIS VISIT FOR TALKS WITH NIXON CAME AT A TIME WHEN THE NEED FOR SINCERE AND REALISTIC EFFORTS IN THE INTEREST OF PEACE AND STABILITY IN THE WORLD, AND IN SOUTHEAST ASIA IN PARTICULAR, HAVE BECOME EVER MORE PRESSING.+ SUHARTO CAME PREPARED TO OUTLINE THE VIEWS OF ASIAN LEADERS ON NIXON'S DECISION TO SEND U.S. TROOPS INTO CAMBODIA, HAVING CONFERRED WITH FELLOW ASIANS 10 DAYS AGO.

(MORE)FC 10:18P-419W-

UPI-299X

SUHARTO 5/26

1ST AD 1ST LD SUHARTO WASHINGTON X X X AGP.

SUHARTO SAID AT THE WELCOMING CEREMONY THAT HE RECOGNIZED PROBLEMS FACING THE AMERICAN PEOPLE AND THE PROCESS OF +REORDERING OF NATIONAL PRIORITIES+ NOW IN PROGRESS.

+AS A FRIEND, + HE SAID, +WE UNDERSTAND THE DIFFICULTIES YOU ARE FACING AND APPRECIATE YOUR EFFORTS TO OVERCOME THEM.+

SUHARTO AND HIS WIFE FLEW BY HELICOPTER TO THE WHITE HOUSE FROM COLONIAL WILLIAMSBURG, VIRGINIA, WHERE THEY ARRIVED MONDAY. THEY WERE ACCOMPANIED BY FRANCIS J. GALBRAITH, U.S. AMBASSADOR TO INDONESIA, AND WILLIAM R. CODUS, ASSISTANT U.S. CHIEF OF PROTOCOL.

(MORE)FC10:21P-420W-



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UPI-300X

SUHARTO 2/26

2ND ADD 1ST LD SUHARTO WASHINGTON X X XPROTOCOL.

SUHARTO SAID HE HOPED TO CONVEY ON BEHALF OF THE INDONESIAN PEOPLE THEIR SINCERE GRATITUDE FOR SUPPORT BY THE UNITED STATES +IN THOSE MOMENTS OF OUR HISTORY WHEN FRIENDLY ASSISTANCE WAS NEEDED MOST.+

HE SAID THAT FRIENDSHIP BETWEEN INDONESIA AND THE UNITED STATES DATES FROM THE BIRTH OF THE REPUBLIC OF INDONESIA.

HE SAID IT IS A SINCERE FRIENDSHIP WHICH +DOES NOT SEEK ANYTHING SPECIFIC IN RETURN.+ AND HE ADDED THAT FRIENDSHIP WITH THE UNITED STATES +IS NOT A MATTER OF CONVENIENCE OR EXPEDIENCY, BUT A QUESTION OF FUNDAMENTAL ORIENTATION AND OF AFFINITY OF BASIC GOALS.

+I AM SURE THAT OUR TWO COUNTRIES HAVE, AND PROBABLY WILL CONTINUE TO HAVE, DIFFERENT PERSPECTIVES IN OUR VIEW ON MANY WORLD ISSUES,+ HE SAID. +HOWEVER, WE DO SHARE THE COMMON ASPIRATION TO STRIVE FOR A BETTER WORLD IN WHICH MAN OF WHATEVER RACE, CREED OR POLITICAL BELIEF CAN LIVE IN FREEDOM AND DIGNITY, RELIEVED FROM THE TERRIBLE SCOURAGES OF POVERTY AND IGNORANCE, OPPRESSION AND WAR.+ (UPI)

JS1025F422W

A. Helennan

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UPI-004X

h. Helman

UPI-306X

SUHARTO 5/26

BULLETIN ~~*****~~

2ND LD UPI-298X

BY JOHN F. BARTON

WASHINGTON, MAY 26 (UPI)--PRESIDENT NIXON WELCOMED VISITING
INDONESIAN PRESIDENT SUHARTO TUESDAY WITH PRAISE FOR INDONESIA'S
PEACE EFFORTS IN SOUTHEAST ASIA.
(MORE) JS1046P433W

SMT

E

h. Helman
10/27

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SUHARTO 5/26

URGENT

1ST ADD 2ND LD SUHARTO WASHINGTON UPI-306X XXX ASIA
ALL NATIONS NIXON TOLD SUHARTO

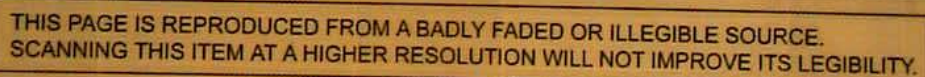
ALL NATIONS, NIXON TOLD SUHARTO, HAVE THE RIGHT TO BE FREE FROM FOREIGN DOMINATION AND TO LIVE IN PEACE.

THE PRESIDENT MADE HIS REMARKS DURING HIS OFFICIAL WELCOMING CEREMONY ON THE WHITE HOUSE LAWN.

NIXON PAID TRIBUTE TO SUHARTO +FOR THE ROLE YOU AND YOUR PEOPLE PLAY AND CONTINUE TO PLAY FOR PEACE IN THE PACIFIC.+
THE RECENT CONFERENCE OF 11 ASIAN NATIONS

THE RECENT CONFERENCE OF 11 ASIAN NATIONS IN JAKARTA, HE CONTINUED, WAS AN EXCELLENT EXAMPLE OF ASIAN NATIONS ATTEMPTING TO FIND SOLUTIONS FOR ASIAN PROBLEMS AND CONTRIBUTING TO PEACE AND SECURITY IN ASIA. +

(MORE) JS1051P434W



UPI-304X

UPI-309X

SUHARTO 5/26

2ND ADD 2ND LD SUHARTO WASHINGTON UPI-306X XXX ASIA.+
NIXON TOLD SUHARTO AND A CROWD OF SEVERAL HUNDRED SPECTATORS
GATHERED TO WITNESS THE EVENT THAT THE MODERN WORLD IS COMPRISED
OF DIVERSE SOCIAL, ECONOMIC AND RELIGIOUS BACKGROUNDS.
+WE REALIZE WE CANNOT FIND ANSWERS TO ALL OF THE DIFFERENCES,+
NIXON SAID.

BUT, HE SAID, +FREE NATIONS+ COULD BE UNITED ON WHAT HE TERMED
THE BASIC RIGHTS OF ALL PEOPLE--THE RIGHT OF ALL PEOPLE TO
BE FREE, THE RIGHT OF ALL PEOPLE TO BE FREE FROM FOREIGN DOMINATION,
AND THE RIGHT OF ALL PEOPLE TO LIVE IN PEACE.+

IN REPLY, SUHARTO SAID +MY VISIT COMES AT A TIME WHEN THE NEED
FOR SINCERE AND REALISTIC EFFORTS IN THE INTEREST OF PEACE AND
STABILITY IN THE WORLD, AND IN SOUTHEAST ASIA IN PARTICULAR,
HAVE BECOME EVER MORE PRESSING.+

(MORE) JS1054P435W

UPI-310X

SUHARTO 5/26

3RD ADD 2ND LD SUHARTO WASHINGTON UPI-306X XXX PRESSING.+
SUHARTO, DRESSED IN A BLACK SUIT AND WEARING THE TRADITIONAL
BLACK INDONESIAN PITJE HAT, CONTINUED: +THE RESTORATION OF PEACE
AND STABILITY IN THIS REGION WILL REQUIRE THE COMBINED ENDEAVORS
OF ALL COUNTRIES OF THE AREA AS WELL AS OF THOSE EXTERNAL POWERS
HAVING A RESPONSIBILITY IN THE MAINTENANCE OF WORLD PEACE.+

SUHARTO SAID THE MAIN PURPOSE OF HIS VISIT +IS TO CONVEY,
ON BEHALF OF THE INDONESIAN PEOPLE, OUR SINCERE GRATITUDE FOR
THE SUPPORT YOU EXTENDED TO US IN THOSE MOMENTS IN OUR HISTORY
WHEN FRIENDLY ASSISTANCE WAS NEEDED MOST.+

(MORE) JS1056P436W

6. Helman
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UPI-004X

SUHARTO 5/27

4TH ADD 2ND LD SUHARTO WASHINGTON UPI-306X PVS CYCLE XXX MOST.+
THE UNITED STATES WAS ONE OF THE FIRST NATIONS TO GRANT
ECONOMIC ASSISTANCE TO INDONESIA AFTER THE FAILURE OF A CHINESE
COMMUNIST INSPIRED COUP IN SEPTEMBER, 1965.
FAILURE OF THE COUP LED TO THE EVENTUAL OUSTER OF FORMER
PRESIDENT SUKARNO BY SUHARTO.
SUHARTO TOLD NIXON THAT INDONESIAN FRIENDSHIP +IS A SINCERE
FRIENDSHIP WHICH DOES NOT SEEK ANYTHING SPECIFIC IN RETURN.+
+TO US, FRIENDSHIP WITH THE UNITED STATES IS NOT A MATTER
OF CONVENIENCE OR EXPEDIENCY, BUT A QUESTION OF FUNDAMENTAL
ORIENTATION AND OF AFFINITY OF BASIC GOALS.+
THE INDONESIAN PRESIDENT NOTED THAT INDONESIA AND THE UNITED
STATES +HAVE, AND PROBABLY WILL CONTINUE TO HAVE, DIFFERENT
PERSPECTIVES ON OUR VIEWS ON MANY WORLD ISSUES.+
(MORE) JS1114P442W

UPI-005X

SUHARTO 5/27

5TH ADD 2ND LD SUHARTO WASHINGTON XXX ISSUES.+
BUT SUHARTO SAID DJAKARTA AND WASHINGTON +SHARE THE COMMON
ASPIRATION TO STRIVE FOR A BETTER WORLD IN WHICH MEN OF WHATEVER
RACE, CREED OR POLITICAL BELIEF CAN LIVE IN FREEDOM AND DIGNITY,
RELIEVED FROM THE TERRIBLE SCOURGES OF POVERTY AND IGNORANCE,
OPPRESSION AND WAR.+
SUHARTO ALSO SAID HE SYMPATHIZES WITH +THE BIG PROBLEMS
THE AMERICAN PEOPLE ARE FACING AT PRESENT AND OF THE PROCESS OF
REORDERING OF NATIONAL PRIORITIES THROUGH WHICH YOU ARE GOING.
+AS A FRIEND, WE UNDERSTAND THE DIFFICULTIES YOU ARE FACING
AND APPRECIATE YOUR EFFORTS TO OVERCOME THEM.+
THE TWO PRESIDENTS BEGAN SERIOUS DISCUSSIONS OF THE SOUTHEAST
ASIAN SITUATION IMMEDIATELY AFTER THE WELCOMING CEREMONIES
CONCLUDED.
NIXON WAS EXPECTED TO GET A FIRSTHAND REPORT FROM SUHARTO
ABOUT THE MAY 16-17 DJAKARTA MEETING AT WHICH REPRESENTATIVES OF
11 ASIAN NATIONS URGED THAT ALL FOREIGN FORCES BE WITHDRAWN
FROM CAMBODIA AND THE INTERNATIONAL CONTROL COMMISSION BE
REACTIVATED. (UPI)
JS1118P002W

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The Minister then referred to the strategic importance of Cambodia for South East Asia, for Thailand, Malaysia, Singapore and Indonesia and observed that if Cambodia could be helped this would also be a help to securing South Vietnam. He referred to the trend of tendency in the United States - he did not want to put it more definitely than that - for the United States to want to get out of Cambodia. He referred to the needs that Cambodia will have, apart from military equipment, as its economy becomes tighter as the effect of increased defence spending begins to appear. He said he thought the President's visit to the United States would be of the greatest importance with the influence he could bring to bear.

The President replied that he intended to have discussions with President Nixon on Cambodia "about both the short and long term".

The Minister said he would like to express his appreciation for the President's magnificent opening speech which he thought would have a world effect. It was now essential that the momentum of the Conference be kept up and he attached much importance to the grouping of the three countries including Indonesia. The Conference had gone better than he could have expected and he mentioned the strong and consistent character of the speeches of the countries taking part. He had hoped for a specific

Minister's conversation
with President Soeharto

17/5/70

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CONFIDENTIAL

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reference to the possibility of reconvening the Conference, but he had not been able to secure this in the Communique although it was agreed that that was one of the possibilities.

The President shared the Minister's view that the momentum should be kept up and said that apart from machinery there could be much interchange in consultation in a continuing way through missions here with the Foreign Minister and in the capitals of the other countries represented and he made it clear that he envisaged a continuing process.

 G.A. Jockel)
Ambassador

CONFIDENTIAL

UPI 103X

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h. Nelson
190

SUHARTO 5/25
DJAKARTA, MAY 24 (UPI)--PRESIDENT SUHARTO LEFT FOR THE UNITED STATES AT 6 P.M. (1100GMT) TODAY ABOARD A CHARTERED D.C. 8 GARUDA INDONESIAN AIRWAYS PLANE.

THE INDONESIAN PRESIDENT WAS ACCOMPANIED BY HIS WIFE, FOREIGN MINISTER ADAM MALIK AND A PARTY OF 40 PERSONS. 205

A 21-GUN SALUTE BOOMED AT DJAKARTA'S KEMAJORAN AIRPORT AS THE PRESIDENT BOARDED THE PLANE. THE DIPLOMATIC CORP, CABINET MEMBERS AND OTHER TOP GOVERNMENT OFFICIALS WERE PRESENT TO GIVE THE PRESIDENT A BIG SENDOFF.

THIS IS SUHARTO'S SECOND TRIP ABROAD SINCE HE BECAME PRESIDENT OF THIS NATION OF 120 MILLION PEOPLE.

HIS FIRST TRIP WAS MADE SHORTLY AFTER CONGRESS NAMED HIM PRESIDENT IN 1968. HE VISITED JAPAN AND SEVERAL ASIAN COUNTRIES.

SUHARTO'S VISIT TO THE UNITED STATES WAS MADE AT THE INVITATION OF PRESIDENT NIXON. HE WILL TOUR SEVERAL CITIES IN THE EAST AND WEST COAST AND INSPECT PROJECTS AROUND THE TENNESSEE VALLEY AUTHORITY.

SUHARTO WILL STOPOVER IN OSAKA EN ROUTE HOME TO VISIT THE INDONESIAN PAVILLION.--(UPI)

C 817A/

H. McNamee
*1208*APR 24
SUHARTO

DJAKARTA MAY 24 AAP REUTER -- INDONESIAN PRESIDENT SUHARTO LEFT HERE TODAY FOR A SIX-DAY VISIT TO THE UNITED STATES IN WHICH HE WILL MEET PRESIDENT NIXON AND IS EXPECTED TO URGE AMERICANS TO INVEST MORE IN HIS COUNTRY.

HE WAS ACCOMPANIED BY HIS WIFE AND 20 OFFICIALS, INCLUDING FOREIGN MINISTER ADAM MALIK. THE PARTY, WHICH INCLUDES TOP PRESIDENTIAL ECONOMIC ADVISERS, PLANNED TO SPEND THE NIGHT IN HAWAII BEFORE FLYING ON TO WASHINGTON TOMORROW.

WHILE THERE, PRESIDENT SUHARTO WILL HOLD TWO ROUNDS OF TALKS WITH PRESIDENT NIXON, HAVE LUNCH WITH VICE-PRESIDENT SPIRO AGNEW AND MEET THE SENATE FOREIGN RELATIONS COMMITTEE MEMBERS, HEADED BY SENATOR WILLIAM FULBRIGHT.

HE IS ALSO DUE TO MEET UNITED NATIONS SECRETARY-GENERAL U THANT.

PRESIDENT SUHARTO IS EXPECTED TO STRESS INDONESIA'S CONCERN AT THE WIDENING OF THE INDOCHINA CONFLICT AND URGE WITHDRAWAL OF U.S. TROOPS FROM CAMBODIA.

MR MALIK IS LIKELY TO GO INTO DETAIL ON THIS ISSUE WHILE PRESIDENT SUHARTO DISCUSSES ECONOMIC DEVELOPMENT WITH INDUSTRIALISTS AND ECONOMISTS. THESE INCLUDE WORLD BANK PRESIDENT ROBERT MCNAMARA AND INTERNATIONAL MONETARY FUND HEAD PIERRE PAUL SCHWEITZER.

AAP REUTER 0035 25 /5 CRA

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UPI-131X

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K. Hadjilov
1212

VISIT 5/26

WITH SUHARTO

WILLIAMSBURG, VIRGINIA MAY 25 (UPI)--PRESIDENT AND MRS. SUHARTO 203
ARRIVED WITH A 10-MEMBER INDONESIAN DELEGATION IN THIS HISTORIC
COLONIAL AMERICAN CAPITAL TODAY AT THE START OF A STATE VISIT TO
THE UNITED STATES.

THE GROUP WAS GIVEN A CARRIAGE RIDE THROUGH THE COBBLESTONED
RESTORED AREA, INCLUDING THE CAPITOL BUILDING WHERE VIRGINIA'S HOUSE
OF BURGESSES ADOPTED COVENANTS THAT EVENTUALLY LED TO WAR WITH
ENGLAND AND THE AMERICAN DECLARATION OF INDEPENDENCE IN THE 18TH
CENTURY.

WILLIAMSBURG, LOCATED ABOUT 200 MILES (321.9KM) SOUTHEAST OF
WASHINGTON, D.C., IS THE TRADITIONAL ARRIVAL POINT FOR VISITING
HEADS OF STATE. THEY NORMALLY SPEND A DAY OR TWO HERE TO ADJUST TO
TIME DIFFERENTIALS BEFORE PROCEEDING TO THE NATION'S CAPITAL.

OFFICIALS AT COLONIAL WILLIAMSBURG SAID PRESIDENT SUHARTO AND
HIS PARTY WILL LEAVE HERE BY HELICOPTER ABOUT 1250GMT TUESDAY FOR
WASHINGTON. SUHARTO WILL MEET WITH PRESIDENT NIXON AT THE WHITE
HOUSE LATER TUESDAY MORNING.

SUHARTO WILL ADDRESS A LUNCHEON AT THE NATIONAL PRESS CLUB IN
WASHINGTON TUESDAY AFTERNOON.

AMONG THOSE IN THE PARTY WERE ADAM MALIK, INDONESIAN MINISTER
OF FOREIGN AFFAIRS, AND INDONESIAN AMBASSADOR TO THE UNITED
STATES SOEDJATMOKO.

ALSO IN THE PARTY WERE U.S. AMBASSADOR TO INDONESIA FRANCIS J.
GALBRAITH AND WILLIAM R. CODUS, ASSISTANT U.S. CHIEF OF PROTOCOL.
(UPI)

RS10:114/198W

UPIX-27X

3034 11/161

h. hickman. 102

SUHARTO 5/21

WASHINGTON, MAY 20 (UPI)--INDONESIAN PRESIDENT AND MRS. SUHARTO WILL MAKE AN OFFICIAL VISIT TO THE UNITED STATES MAY 26-JUNE 1, THE STATE DEPARTMENT SAID TODAY.

HIGHLIGHTS OF THE INDONESIAN PRESIDENT'S VISIT WILL INCLUDE TWO PRIVATE MEETINGS WITH PRESIDENT NIXON, AN ADDRESS TO THE NATIONAL PRESS CLUB, AND A SPEECH DURING A MEETING OF ASIAN AND AFRICAN AMBASSADORS AT THE UNITED NATIONS.

THE ITINERARY RELEASED BY THE STATE DEPARTMENT REFLECTS SUHARTO'S STATED DESIRE TO VISIT DEVELOPMENT PROJECTS WHICH MIGHT SERVE AS EMAMPLES FOR SIMILAR EFFORTS IN INDONESIA. HE WILL VISIT THE TENNESSEE VALLEY AUTHORITY (TVA) -- A SERIES OF DAMS TIED TOGETHER IN A NAVIGATION, FLOOD CONTROL, ELECTRICAL GENERATING AND RECREATION SYSTEM -- AND VARIOUS FARMER COOPERATIVES AND INDUSTRIAL PROJECTS IN CALIFORNIA.

HE IS SCHEDULED TO ARRIVE AT EL TORO MARINE AIR STATION IN ANAHEIM, CALIFORNIA, AT 7 A.M. PDT (1400 GMT) SUNDAY, MAY 25, AND PROCEED TO LANGLEY AIR FORCE BASE IN VIRGINIA ABOARD A SPECIAL U.S. AIR FORCE PLANE.

(MORE)

AL/8:24A/UPI-180W

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UP-128X

SUHARTO 5/21

1ST ADD SUHARTO WASHINGTON X X X PLANE.
HE WILL SPEND THE REST OF SUNDAY TOURING THE TOWN OF
WILLIAMSBURG, A REPRODUCTION OF ONE OF THE FIRST 17TH CENTURY
AMERICAN COLONIAL SETTLEMENTS.

SUHARTO'S OFFICIAL VISIT BEGINS TUESDAY WHEN HE FLIES TO
WASHINGTON AND IS GREETED FORMALLY ON THE SOUTH LAWN OF THE
WHITE HOUSE BY PRESIDENT AND MRS. NIXON.
AFTER FULL MILITARY HONORS, THE TWO PRESIDENTS WILL HOLD
THEIR FIRST CONFERENCE. LATER PRESIDENT AND MRS. SOEHARTO WILL
BE THE GUEST OF VICE PRESIDENT SPIRO T. AGNEW AT A LUNCHEON
IN THE STATE DEPARTMENT.

THEN SUHARTO WILL PLACE A WREATH AT THE TOMB OF THE UNKNOWN
SOLDIERS IN ARLINGTON NATIONAL CEMETERY ACROSS THE POTOMAC
RIVER FROM WASHINGTON.

PRESIDENT AND MRS. NIXON WILL GIVE A STATE DINNER IN HONOR
OF THE INDONESIAN PRESIDENT TUESDAY NIGHT.

WEDNESDAY SUHARTO WILL CONFER WITH PIERRE PAUL SCHWEITZER,
CHAIRMAN OF THE EXECUTIVE BOARD OF THE INTERNATIONAL MONETARY
FUND (IMF), AND ROBERT S. MCNAMARA, PRESIDENT OF THE WORLD BANK.

(MORE)

AL/8:27A/UPI-181W

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201

UPI-129X

SUHARTO 5/21

2ND ADD SOEHARTO WASHINGTON XXX BANK.

THAT NOON, SUHARTO WILL ADDRESS THE LUNCHEON OF THE NATIONAL PRESS CLUB AND CONFER WITH MEMBERS OF THE SENATE FOREIGN RELATIONS COMMITTEE.

THAT EVENING HE WILL GIVE A RECEPTION AT THE INDONESIAN CHANCERY FOR THE DIPLOMATIC CORPS AND U.S. GOVERNMENT OFFICIALS.

AFTER ATTENDING A CONGRESSIONAL PRAYER BREAKFAST THURSDAY MORNING, SUHARTO WILL HOLD HIS SECOND AND LAST MEETING WITH NIXON AT THE WHITE HOUSE. A JOINT COMMUNIQUE IS EXPECTED AFTER THAT MEETING.

THURSDAY AFTERNOON SUHARTO WILL FLY TO NEW YORK WHERE U.N. SECRETARY GENERAL THANT WILL GIVE A LUNCHEON IN HIS HONOR. AT 3 P.M. HE IS SCHEDULED TO ADDRESS A MEETING OF ASIAN AND AFRICAN AMBASSADORS TO THE U. N.

AFTER RECEIVING A COURTESY CALL FROM NEW YORK MAYOR JOHN V. LINDSAY, SOEHARTO WILL ATTEND A DINNER GIVEN IN HIS HONOR. HE WILL FLY TO SAN FRANCISCO EN ROUTE TO JAKARTA

FLY TO SAN FRANCISCO TO MEET WITH MEMBERS OF CHAMBER OF COMMERCE AND TO TOUR A CALIFORNIA RANCH.

HE WILL LEAVE SAN FRANCISCO EN ROUTE TO JAKARTA TUESDAY MORNING ABOARD A SPECIAL PAN AMERICAN CHARTER FLIGHT.

SUHARTO SPELLS HIS NAME WITH AN +E+ ALTHOUGH IT GENERALLY IS SPELLED SUHARTO IN THE WESTERN PRESS.

--(UPI)

AL/B:32A/UPI-182W

for Indonesia
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200

UPI-139X

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SUHARTO 5/22

2ND ADD SUHARTO UNITED NATIONS X X X PLAN.

SUHARTO WILL ARRIVE AT U.N. HEADQUARTERS AT 12:45 P.M. (1645 GMT) ON THURSDAY, MAY 28, AND BEGIN AN IMMEDIATE CONFERENCE WITH THANT IN THE LATTER'S 36TH FLOOR SUITE, TOGETHER WITH FOREIGN MINISTER ADAM MALIK.

THE SECRETARY GENERAL WILL THEN GIVE A LUNCHEON FOR HIS GUESTS AND THEN LEAD THEM IN A SIGHTSEEING TOUR THROUGH THE BUILDING. MADAME SUHARTO WAS EXPECTED TO MAKE A SEPARATE TOUR AND NOT JOIN THE OFFICIAL PARTY.

AT 3 P.M. (1900 GMT), THE INDONESIAN PRESIDENT WAS TO ADDRESS THE AFRO-ASIAN GROUP OF THE UNITED NATIONS IN A CLOSED MEETING. HIS DEPARTURE TO THE WALDORF ASTORIA HOTEL WAS SCHEDULED A HALF HOUR LATER.

IN THE EVENING, NEW YORK MAYOR JOHN V. LINDSAY WAS SCHEDULED TO CALL ON SUHARTO IN HIS HOTEL SUITE AT 6 P.M. (2200 GMT), PRECEDING A COCKTAIL RECEPTION AND A DINNER GIVEN BY THE ASIA SOCIETY AT THE HILTON HOTEL AT 7 P.M. (2300 GMT).

ON FRIDAY, SUHARTO WAS TO MEET UNOFFICIALLY WITH THE MEMBERS OF THE INDONESIAN COMMUNITY AT THE HOME OF INDONESIAN CONSUL GENERAL JUSUF RAMLI IN NEW ROCHELLE, NEW YORK, BEFORE FLYING TO KNOXVILLE, TENNESSEE.-(UPI)
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SUHARTO

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BY LESLIE MURPHY, AAP-REUTER CORRESPONDENT
JAKARTA, MAY 21, AAP-REUTER -- PRESIDENT SUHARTO FLIES TO
WASHINGTON ON SUNDAY FOR A SIX-DAY VISIT TO THE UNITED STATES,
CONFIDENT IN INDONESIA'S ECONOMIC RECOVERY AND READINESS TO PLAY
A LARGE ROLE IN WORLD AFFAIRS.

IT IS ONLY HIS THIRD OVERSEAS TRIP IN MORE THAN THREE YEARS AS
PRESIDENT.

THE FIRST WAS TO CAMBODIA AND JAPAN LAST YEAR, AND THE SECOND
TO MALAYSIA AND THAILAND EARLIER THIS YEAR.

THE VISIT COMES AT A KEY TIME IN THE DEVELOPMENT OF INDONESIA'S
FOREIGN POLICY WHEN IT HAS TAKEN THE LEAD IN BRINGING TOGETHER
ASIAN AND PACIFIC NATIONS TO DO WHAT THEY CAN TO HALT THE INDOCHINA
CONFLICT.

ONLY ON MAY 16, PRESIDENT SUHARTO, IN PROBABLY HIS MOST FORTHRIGHT
SPEECH ON FOREIGN AFFAIRS, TOOK THE BIG POWERS TO TASK FOR
"FAILING TO DO THEIR DUTY BY THE WORLD" BECAUSE THEY HAD NOT
STOPPED THE SPREAD OF THE VIETNAM WAR TO CAMBODIA.

OBSERVERS HERE SAW THE SPEECH AS A MARK OF THE PRESIDENT'S
NEW-FOUND SELF-ASSURANCE AT INTERNATIONAL GATHERINGS.
MORE 21:5 2202 BAX

AAP427

SUHARTO 2 - DJAKARTA

THERE WAS NO HINT OF THE HESITANCY AND AWKWARDNESS IN PUBLIC THAT STAMPED HIM AS ONE OF THE WORLD'S SHYEST LEADERS IN HIS EARLY DAYS AS PRESIDENT.

PRESIDENT SUHARTO SAID THAT IT WAS BECAUSE THE BIG POWERS, WHICH HE DID NOT NAME, HAD NOT PLAYED THEIR PART THAT THE FOREIGN MINISTERS FROM NINE ASIAN NATIONS PLUS NEW ZEALAND AND AUSTRALIA MET IN DJAKARTA ON MAY 16 AND 17 TO TRY TO WORK OUT A DURABLE PEACE.

THE CONFERENCE ENDED BY DELEGATING THE FOREIGN MINISTERS OF JAPAN, INDONESIA AND MALAYSIA TO URGE THE UNITED NATIONS, BRITAIN, THE SOVIET UNION AND OTHER MAJOR POWERS TO HOLD A MULTILATERAL INTERNATIONAL CONFERENCE ON CAMBODIA, AT WHICH THE COMMUNIST SIDE WOULD BE REPRESENTED.

RELATIONS BETWEEN INDONESIA AND THE U.S. HAVE IMPROVED CONSIDERABLY UNDER SUHARTO'S PRESIDENCY.

HE HAS SHOWN HIMSELF AN ADMIRER OF U.S. ACHIEVEMENTS AND DEMOCRATIC SYSTEMS, AND HAS CLEARLY ACKNOWLEDGED INDONESIA'S DEPENDENCE ON U.S. ECONOMIC AID.

INDONESIA HAS REFUSED TO BACK THE U.S. PRESENCE IN VIETNAM WITH ITS OWN TROOPS, OR TO SEND ARMS TO CAMBODIA, BUT PRESIDENT SUHARTO, A STAUNCH ANTI-COMMUNIST, HAS NO SERIOUS QUARREL WITH THE AMERICAN ROLE THERE.

MORE 21:5 2209 BAX

L. K. K.
h. g.

A7

AAP426

SUHARTO 3 - DJAKARTA

THE INDONESIAN LEADER MET MR. NIXON WHEN THE LATTER BECAME THE FIRST U.S. PRESIDENT TO VISIT INDONESIA LAST JULY.

THEIR MAIN TOPIC OF CONVERSATION IS AGAIN LIKELY TO BE ECONOMIC MATTERS, ESPECIALLY AID, BUT PRESIDENT SUHARTO WILL BE ABLE TO SPELL OUT FOR MR. NIXON THE VIEWS ON INDOCHINA EXPRESSED BY THE 11 COUNTRIES WHO ATTENDED THE CAMBODIAN TALKS HERE LAST WEEKEND.

HE WILL NO DOUBT ALSO HAVE SUGGESTIONS OF HIS OWN TO PUT FORWARD ON U.S. POLICY THERE, AND WILL TELL HIM THAT THE ASIAN NATIONS TODAY ARE STILL ALARMED BY WAR AND THE THREAT OF WAR.

BUT PRESIDENT SUHARTO, AS IN THE PAST, IS ALSO CERTAIN TO OPPOSE ANY SUGGESTION OF REGIONAL MILITARY GROUPINGS.

HE HAS ALWAYS STRESSED THE VIEW THAT THE COMMUNIST THREAT CANNOT BE MET BY MILITARY PACTS BUT ONLY BY INTERNATIONAL CO-OPERATION IN THE FIELDS OF ECONOMY, CULTURE AND IDEOLOGY.

MORE 21:5 2226 BAX

AAP425

SUHARTO 4 - DJAKARTA

SINCE THE FAILURE OF THE COMMUNIST PUTSCH IN 1965, DURING THE REIGN OF FORMER PRESIDENT SUKARNO, INDONESIA HAS UNOFFICIALLY BUT UNMISTAKABLY MOVED TOWARDS THE WEST.

THIS HAS MAINLY RESULTED FROM THE AID WESTERN COUNTRIES HAVE POUNED IN TO HELP RESTORE THE NATION TO AN ECONOMIC FOOTING AFTER THE DISASTROUS LAST YEARS OF THE SUKARNO REGIME.

BUT 15 MAINLY INDEPENDENT NEWSPAPERS HAVE CARRIED ALMOST NOTHING ON PRESIDENT SUHARTO'S U.S. VISIT, AND EVEN FOURS DAYS BEFORE HIS DEPARTURE THERE HAS BEEN NO STATEMENT FROM THE PALACE ON HIS HOPES FOR THE TRIP.

NO OFFICIAL PROGRAMME FOR THE VISIT HAS BEEN RELEASED.

THE PRESIDENT WILL BE ACCOMPANIED BY A PARTY OF 10 OFFICIALS, INCLUDING FOREIGN MINISTER ADAM MALIK.

MORE 21:5 2229 BAX

1. Kuba
1. 22

195

WITH THE HELP OF ABLE ECONOMIC ADVISERS HE HAS SUCCEEDED IN BRINGING THE INFLATION RATE DOWN FROM AN INCREDIBLE 635 PER CENT IN 1966 TO 7.5 PER CENT LAST YEAR.

IN THIS PROCESS HE HAS ALSO RESTORED ORDER IN INDONESIA AND IMPROVED HER REPUTATION ABROAD.

AAP-REUTER 21:5 2231 BAX

UPI-239X

3034 11/161

P. Jackson

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DEMONSTRATION 5/19

DJAKARTA (UPI)---A SMALL BAND OF INDONESIAN UNIVERSITY STUDENTS MARCHED ON THE UNITED STATES EMBASSY IN DJAKARTA TUL DAY TO EXPRESS SYMPATHY WITH THE STUDENTS ANTI-WARPROTEST MOVEMENT IN AMERICA.

THE BAND OF PERHAPS 50 MALE AND FEMALE STUDENTS MARCHED PEACEFULLY TO THE EMBASSY AND WERE RECEIVED BY U.S. AMBASSADOR J. FRANCIS GALBRAITH.

DJAKARTA MILITARY GARRISON FORCES PLACED HEAVY SECURITY AROUND THE EMBASSY, TURNING OUT MORE THAN 50 ARMED SOLDIERS AND FOUR ARMORED CARS TO WATCH OVER THE FIRST SUCH DEMONSTRATION HERE SINCE 1966.

THERE WERE NO INCIDENTS.

STUDENT LEADERS WERE ALLOWED INSIDE THE EMBASSY TO TALK WITH THE AMBASSADOR GALBRAITH WHO AGREED TO ACCEPT THEIR PETITION PUBLICLY.

ALL THE STUDENTS THEN WERE ALLOWED INSIDE THE EMBASSY PARKING LOT AND AMBASSADOR GALBRAITH CLIMBED UP ON THE LEDGE OF A FOUNTAIN TO LISTEN THE READING OF THE PETITION. (UPI)

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UPI-257X

193

DEMONSTRATION 5/19

1ST ADD DEMONSTRATION DJAKARTA UPI-239X XXX THE PETITION.
THE PETITION, READ IN BOTH INDONESIAN AND ENGLISH, SAID
THE U.S. STUDENTS, +FULL OF CONVICTION, EVEN TO RISKING THEIR
OWN LIVES, HAVE A RIGHT TO DRAW THE SYMPATHY AND SUPPORT FROM
ALL PARTS OF THE WORLD. THE HUMANITARIAN ECHOES OF THIS PROTEST
MOVEMENT HAVE REACHED THIS HEMISPHERE. FOR THE VERY REASON WE
STATE OUR SYMPATHY. IT IS OUR HOPE THAT THIS STATEMENT CAN
SUPPORT THE STRUGGLE OF THE PEOPLE OF THE U.S. TO ACHIEVE FREEDOM AND
PEACE WHICH ARE THE BASIS OF HUMAN WELFARE.+

GALBRAITH, WHO STOOD BAREHEADED IN THE BLISTERING MIDDAY SUN
TO HEAR THE PETITION, SHOOK HANDS WITH THE STUDENT LEADERS AND
SAID, +I WELCOME THE CHANCE TO MEET STUDENTS WHO COME HERE
PEACEFULLY WITH A SINCERE AND HONORABLE PURPOSE.+

+HOWEVER, HE ADDED, +I DO NOT THINK I NEED TO APOLOGIZE FOR
MY COUNTRY'S LONG HISTORY OF EFFORTS IN PURSUIT OF PEACE AND
FREEDOM...MY GOVERNMENT HAS MADE EVERY EFFORT TO BRING THE
INDOCHINA SITUATION TO THE CONFERENCE TABLE.

+THE CONFERENCE OF ASIAN NATIONS WHICH MET HERE THIS PAST
WEEKEND APPEALED FOR THE REMOVAL OF ALL FOREIGN TROOPS FROM
CAMBODIA. WE SUPPORT THE APPEAL OF THE DJAKARTA CONFERENCE AND
WE HAVE SET A TIMETABLE FOR THE REMOVAL OF OUR FORCES FROM
CAMBODIA.+

INDONESIAN AUTHORITIES WERE TAKING NO CHANCES OF THE
DEMONSTRATION BECOMING VIOLENT. SOLDIERS CARRYING SUBMACHINE GUNS
STOOD ARM IN ARM IN FRONT OF THE HIGH STEEL FENCE SURROUNDING THE
EMBASSY, AND FOUR ARMORED CARS TOOK UP POSITIONS NEAR THE SPRAWLING
EMBASSY COMPOUND. (UPI)

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(ABOVE MAY BE BYLINED +BY JOSEPH L. GALLOWAY+)
JS606P

3034/11/161

A. Kelema
192 410

AAP376

DEMONSTRATE

DIJAKART, MAY 12. AAP-REUTER. FOUR ARMoured CARS WERE RANGED ALONG THE STREET IN FRONT OF THE UNITED STATES EMBASSY HERE TODAY WHEN ABOUT 50 INDOONESIAN STUDENTS HANDED IN A STATEMENT OF SUPPORT FOR AMERICAN STUDENTS DEMONSTRATING AGAINST U.S. INTERVENTION IN CAMBODIA.

THE STUDENTS PRESENTED A PETITION TO U.S. AMBASSADOR, MR. FRANCIS GALBRAITH, AFTER WAITING QUIETLY IN FRONT OF THE EMBASSY FOR ABOUT AN HOUR.

THEY WERE ALMOST OUTHUMBERED BY ARMED TROOPS WHO QUICKLY TOOK UP POSITIONS OUTSIDE THE EMBASSY AND DISPERSED WITHOUT ANY INCIDENT.

THE STATEMENT WAS SIGNED BY STUDENTS FROM THE UNIVERSITY OF INDOONESIA, WRITERS AND LAWYERS. IT EXPRESSED SYMPATHY AND SUPPORT FOR THE RECENT U.S. STUDENT PROTESTS.

IT SAID THAT PEACE AND FREEDOM HAD BECOME A SLOGAN "TO COVER POLITICAL AMBITIONS FOR POWER WHICH HAS SO FAR ONLY RESULTED IN WARS AND OPPRESSION."

U.S. STUDENT PROTESTS AGAINST THEIR GOVERNMENT'S POLICY IN INDOCHINA WERE FULL OF CONVICTION, IT ADDED.
AAP-REUTER 2040 LM



THIS PAGE IS REPRODUCED FROM A BADLY FADED OR ILLEGIBLE SOURCE.
SCANNING THIS ITEM AT A HIGHER RESOLUTION WILL NOT IMPROVE ITS LEGIBILITY.

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APR 23
1967

U.S. War College Visits Indonesia

9. 36 members of the U.S.A. National War College visited Djakarta from 21-23 April, at the invitation of the Indonesian National Defence Institute (Lemhanas). The group will also be visiting Bangkok, Hong Kong, Manila, Seoul and Tokyo, before returning to the U.S.A. This was the fourth such visit by the college to Indonesia since 1967.

DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

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NEW 1 I.51853
FROM TOD 08.5.70...
AUSTRALIAN EMBASSY TOR 11.5.70...1449 LT
DJAKARTA

1668 SECRET

ADDRESSED CANBERRA 1668, REPEATED WASHINGTON 15.

UNITED STATES MILITARY ASSISTANCE PROGRAMME.

GALBRAITH HAS GIVEN ME A RUN-DOWN OF DEVELOPMENTS.

THE AMERICAN EMBASSY HAS BEEN WORKING WITH HANKAM ON A PROGRAMME OF SUPPLY AND OF ACTIVITIES BASED ON A 15 MILLION DOLLARS ALLOCATION. THIS HAS BEEN A SLOW AND INVOLVED BUSINESS GIVEN THE BASIC PROBLEMS OF PROGRAMMING FOR MODEST SUPPORT OF THE INDONESIAN ARMED FORCES.

THIS JOINT WORKING PAPER WILL NOW GO TO WASHINGTON FOR FEASIBILITY EXAMINATION AND SORTING OUT AND FINAL SELECTION,

SOME ITEMS STILL HAVE POLICY QUESTION MARKS AGAINST THEM AND THE FINAL COSTINGS STILL HAVE TO BE DONE.

2. THE AMERICAN EFFORT TO EQUIP AND PROVIDE TRAINING FOR ENGINEERING BATTALIONS FOR CIVIC ACTION WORK WILL CONTINUE AND WILL BE STRENGTHENED IF PRACTICABLE.

ONE PROBLEM NOW ENCOUNTERED IS THAT THE ARMY HAS NO FUNDS TO PAY FOR THE RUNNING COSTS OF CIVIC ACTION PROJECTS AND QUITE OFTEN THE REGIONAL GOVERNORS DO NOT HAVE THE FUNDS TO MAKE THE PAYMENT TO THE ARMED FORCES FOR THE SERVICES THEY SEEK.

3. A LOT OF AMERICAN EFFORT WILL GO INTO PROGRAMMES OF TRAINING AND SPARE PARTS SUPPLY TO REHABILITATE EXISTING AMERICAN EQUIPMENT AND TO STRENGTHEN THE INDONESIAN CAPABILITY TO LOOK AFTER IT IN FUTURE.

A TEAM OF ABOUT A DOZEN AMERICAN TECHNICIANS WILL WORK IN INDONESIA ON THE REHABILITATION OF ABOUT 25 OLD C47 AIRCRAFT IN ORDER TO IMPROVE THE TRANSPORT CAPABILITY OF THE AIRFORCE.

A TEAM FROM LOCKHEED WILL ALSO DO EMERGENCY REPAIRS FOR THE HERCULES AIRCRAFT.

THE AMERICANS ARE ALSO GOING TO REHABILITATE A NUMBER OF H016 AIRCRAFT WHICH COULD BE THE BASIS OF A SEARCH AND RESCUE ORGANISATION

4. THE AMERICAN EMBASSY IS RECOMMENDING THE SUPPLY OF 5 T37 JET TRAINER AIRCRAFT.

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DEPARTMENT OF EXTERNAL AFFAIRS

INWARD CABLEGRAM

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I.51853

THESE ARE EXPENSIVE AND THEY REQUIRE EXPENSIVE AND SOPHISTICATED MAINTENANCE AND UPKEEP, BUT THE AMERICAN EMBASSY IS ARGUING WITH WASHINGTON THAT THERE IS A CASE FOR THE UNITED STATES PUTTING IN AND SUPPORTING ONE SMALL MODERN PROJECT AS DISTINCT FROM JUST TRYING TO PATCH UP OLD EQUIPMENT.

THE AMERICAN EMBASSY IS ALSO PREPARED TO FORESHADOW THAT TRAINING ON THE T37 COULD EVENTUALLY LEAD ON TO THE SUPPLY OF A FEW A37 AIRCRAFT FOR A COUNTER-INSURGENCY ROLE.

A COUNTER-INSURGENCY AIRCRAFT IS WHAT PRESIDENT SOEHARTO KEEPS PUSHING FOR.

IN THE MEANTIME, THE AMERICANS ARE PREPARED TO EQUIP A FEW C47'S SO THAT THEY COULD BE TURNED INTO GUNSHIPS IN THE EVENT OF A REQUIREMENT ARISING FOR A COUNTER-INSURGENCY AIRCRAFT.

5. THE WORKING PAPER PROPOSES THE PROVISION OF PATROL CRAFT FOR THE NAVY AND THE PROVISION OF CREW SERVED WEAPONS FOR ONE QUICK ACTION BATTALION OF KOSTRAD.

6. GALBRAITH ALSO MENTIONED THAT LOCKHEED WOULD BE DOING THE LONG TERM SERVICING OF THE INDONESIAN HERCULES FLEET.

WHEN I ASKED HIM WHETHER THIS MEANT THAT THERE WOULD BE AN AID SUBSIDY AND TOLD HIM THAT QANTAS COULD DO THE JOB MORE CHEAPLY THAN LOCKHEED, HE EVADED THE POINT, AS HE HAS DONE PREVIOUSLY, SAYING THAT ITEMS IN THE WORKING PAPER MIGHT NOT NECESSARILY BE APPROVED BECAUSE OF THE COSTING CEILING OF 15 MILLION DOLLARS.

7. IT SEEMS TO US THAT HANKAM IS NOW DEVELOPING SOME CAPABILITY TO FORMULATE REQUESTS FOR DEFENCE AID ASSISTANCE FROM OTHER COUNTRIES, AND IT IS QUITE LIKELY THAT, WHEN THE UNITED STATES PROGRAMME SHAKES OUT INTO ITS FINAL FORM IN THE COMING WEEKS, AUSTRALIA MIGHT BE APPROACHED IN TURN.

JOCKET.

MIN. AND DEPT. E.A.
MIN. AND DEPT. DEFENCE
J.I.O.
D.C.O.
P.M.'S

SEC DEP SEC FAS(1) INT SEA M AND I DL FAS(2)
PACAM AM FAS(3) FAS(4)

SECRET

3034 11/161

DEPARTMENT OF EXTERNAL AFFAIRS

INWARD CABLEGRAM

188

NEW 1

I.51993

FROM

TOD 11.5.70...1759 LT

AUSTRALIAN EMBASSY
DJAKARTA

TOR 11.5.70...2141 LT

1700 SECRET

ADDRESSED CANBERRA 1700
REPEATED WASHINGTON 16

UNITED STATES MILITARY ASSISTANCE PROGRAMME.

MY 1668 (REPEATED WASHINGTON 15).

ANOTHER MATTER MENTIONED BY GALBRAITH WAS THAT THE U.S. HAD ALSO BEEN ASKED TO ASSIST WITH MODERNISING AND IMPROVING THE COMMUNICATIONS SYSTEMS OF ALL THREE ARMS OF THE INDONESIAN SERVICES.

THE U.S. WERE SENDING THREE SEPARATE TEAMS TO INDONESIA TO LOOK INTO THIS.

EACH ARM HAS ITS OWN NETWORK, AND COLLECTIVELY THEY CONSTITUTE THE MOST EXTENSIVE AND DEVELOPED COMMUNICATIONS SYSTEM IN THE COUNTRY, SERVING THE NEEDS OF GOVERNMENT AS MUCH AS THOSE OF THE SERVICES.

THE U.S. IS, WE UNDERSTAND, VERY INTERESTED IN THIS PROJECT WHICH THEY INTEND TO PRESS ON WITH QUITE QUICKLY THOUGH AT THIS STAGE IT IS STILL AT THE PLANNING AND FEASIBILITY PHASE.

MIN. AND DEPT. E.A.
MIN. AND DEPT. DEFENCE
J.I.O.
D.C.O.
P.M.'S

SEC DEP SEC FAS(1) INT SEA M AND I DL FAS(2) PACM
AM FAS(3) FAS(4)

WASHINGTON

DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

3034 11/161
(complete papers
filed 3006/13/1)

187

KAG 2

I.48748

FROM

TOD 01.5.1970...1350 LT

AUSTRALIAN EMBASSY,
DJAKARTA.

TOR 01.5.1970...1654 LT

1601 UNCLASSIFIED IMMEDIATE

CAMBODIA

AT PRESS CONFERENCE JUST CONCLUDED MALIK STATED THAT HE REGRETTED AND DEPLORED UNITED STATES ACTION IN CAMBODIA ANNOUNCED BY PRESIDENT NIXON.

THIS WAS NOT HELPFUL TO THE PROSPECTS OF THE FORTHCOMING DJAKARTA MEETING NOR WAS IT GOING TO HELP CAMBODIA.

HE ADDED THAT HE HAD SPOKEN TO GALBRAITH THIS MORNING ALONG THE SAME LINES.

2. MR. MALIK SAID THAT HE WAS GOING AHEAD WITH HIS PLANS FOR THE DJAKARTA MEETING DESPITE LATEST DEVELOPMENTS IN CAMBODIA AND DESPITE THE FACT THAT HE HAS NOW RECEIVED REFUSALS FROM CHINA, NORTH VIETNAM AND NORTH KOREA.

HE HAS NOT YET HEARD FROM MONGOLIA WHOM HE INVITED ONLY YESTERDAY.

3. MR. MALIK SAID HE HOPED THAT THE AMERICAN AND SOUTH VIETNAMESE FORCES WOULD BE WITHDRAWN AS SOON AS THEIR EXPEDITION WAS COMPLETED.

HE NOTED THAT PRESIDENT NIXON HAD UNDERTAKEN TO WITHDRAW THEM AND SAID HE BELIEVED THAT THE PRESIDENT WOULD KEEP HIS WORD.

MIN. AND DEPT. E.A.
MR. C.L. HEWITT.

SEC DEP SEC FAS(1) SEA M AND I MG FAS(2) EA

INWARD SAVINGRAM

3034/11/161

186

SPN 17.4.70

I.43512

CONFIDENTIAL

- 2 -

6. Foreign submarines are reported to have been sighted off the island of Baru where several thousand communist prisoners are detained.

7. New aid agreements with the U.S.A. and the U.K. have been signed, as well as consortium credits for the PURSI fertiliser factory in Palembang and the irrigation project at Djatiluhur.

EXTERNAL

President Soeharto's Projected Visit to the U.S.A.

8. It has now been announced publicly that President Soeharto will undertake a State Visit to the U.S.A. beginning on 26 May. The President is expected to leave Djakarta on 24 or 25 May, and will be in Washington on 26 and 27 May. Later he will tour other areas of the United States, and conclude his visit in San Francisco on or about 2 June.

Foreign Minister Malik

9. Foreign Minister Malik on his arrival in Manila on 10th April, to address the Asian Press Foundation's "One-Asia Assembly" of newspaper publishers and editors, was reported to have reiterated once again the Indonesian attitude to recent developments in Cambodia, warning that Indonesia did not want Cambodia "to become a second Vietnam". Speaking on 11th April, at the first working session of the Assembly, he commented that events in Cambodia were "a purely internal affair of the Cambodians". He was reported as proposing that no outside Government should interfere in the Cambodian situation; that Cambodia must be encouraged to remain neutral in the Vietnam and Laotian conflicts, and for this

.../3

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

Visit of U.S. Atomic Expert

3034/11/161

23. Dr Glen Seaborg, Chairman of the United States Atomic Energy Agency left Djakarta for Bangkok on 31st December after a three day visit to Indonesia as part of an Asian tour. He paid a courtesy call on President Soeharto, and held talks with Indonesian atomic energy officials, reportedly to discuss ways of developing atomic energy in Indonesia, especially in relation to the Atomic Reactor at Bandung. In an address to a luncheon of the American Men's Association, Dr Seaborg stressed the prospects before Indonesia of developing nuclear energy applied to a wide range of health and agricultural projects by the middle of the 1980's.

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CONFIDENTIAL

UPI-011X

3034 | 11 | 161

L. Hickman
blo

ADV FOR 2200GMT, WED APRIL 15.

SUHARTO 4/15

4715
DJAKARTA (UPI)--PRESIDENT SUHARTO OF INDONESIA WILL MAKE HIS FIRST VISIT TO THE UNITED STATES NEXT MONTH AS THE GUEST OF PRESIDENT RICHARD NIXON, THE FOREIGN OFFICE ANNOUNCED TUESDAY.

NO DETAILS OF THE VISIT, BEGINNING MAY 26, WERE ANNOUNCED BY THE OFFICE, BUT OBSERVERS SAID THE MAJOR ITEM ON THE AGENDA FOR TALKS BETWEEN THE TWO PRESIDENTS AND TOP AMERICAN OFFICIALS WILL BE INDONESIA'S ECONOMIC POSITION.

THE STATEMENT ADDED SUHARTO WILL BE ACCOMPANIED BY HIS WIFE, MRS. TIEN SUHARTO, AND A NUMBER OF HIGH-RANKING GOVERNMENT OFFICIALS.

FORMER PRESIDENT SUKARNO, CHIEF EXECUTIVE OF INDONESIA
SINCE THE ISLAND NATION WON ITS INDEPENDENCE FROM THE NETHERLANDS
DEC. 27, 1949, TILL 1967 VISITED THE UNITED STATES IN THE LATE
1950s.

THE U.S. IS INDONESIA'S BIGGEST CREDITOR NATION, HAVING EXTENDED IMPORT CREDITS AND FOOD AID WORTH MORE THAN 250 MILLION U.S. DOLLARS (223 MILLION AUSTRALIAN DOLLARS) SINCE 1967.

THE U.S. RESUMED ITS AID PROGRAM TO INDONESIA IN 1967, AFTER THE DOWNFALL OF SUKARNO DURING AN ABORTIVE ATTEMPT BY THE COMMUNISTS TO SEIZE POWER. (UPI)

ADV FOR 2200GMT WED APRIL 15

B1135P

DEPARTMENT OF EXTERNAL AFFAIRS

INWARD CABLEGRAM

183

NEW 2

I.42607

FROM

TOD 16.4.70...1947 LT

AUSTRALIAN EMBASSY
WASHINGTON

TOR 17.4.70...1052 LT

2262 SECRET

ADDRESSED CANBERRA 2262 REPEATED DJAKARTA OP 403.

UNITED STATES MILITARY ASSISTANCE PROGRAMME.

MASTERS (STATE) TODAY CONFIRMED THAT THE IMPETUS FOR THE EXPANSION IN THE INDONESIAN MAP WAS COMING FROM THE WHITE HOUSE.

HE WENT ON TO SAY THAT THE AMERICANS WANTED TO REHABILITATE WHERE EVER POSSIBLE MILITARY EQUIPMENT ALREADY HELD BY THE INDONESIANS.

AT SOME LATER DATE IT MIGHT BE FEASIBLE TO CONSIDER GIVING THEM NEW EQUIPMENT BUT AT THE PRESENT TIME THE INDONESIANS DID NOT HAVE THE CAPABILITY TO MAINTAIN EXISTING EQUIPMENT, NEVER MIND NEW AND MORE SOPHISTICATED ITEMS.

2. REFERRING TO THE INDONESIAN DESIRE FOR GROUND ATTACK SUPPORT AIRCRAFT, MASTERS SAID THAT AIRCRAFT OPERATIONAL IN VIETNAM WOULD NOT BE AVAILABLE.

THE ENTIRE PRODUCTION OF FRONT LINE AIRCRAFT WAS BOOKED UP FOR VIETNAM AND WOULD BE FOR SOME YEARS TO COME.

MASTERS THOUGHT THE UNITED STATES WOULD BE ABLE TO MAKE A FEW MORE C 47S AVAILABLE TO INDONESIA.

MIN. AND DEPT.E.A.
MIN. AND DEPT. DEFENCE
J.I.O.
D.C.O.
P.M.'S

SEC DEP SEC FAS(1) INT SEA MAND I^o DLO FAS(2)
PACAM AM SP FAS(3) FAS(4) ICR PIO

DJAKARTA

SECRET

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DEPARTMENT OF EXTERNAL AFFAIRS

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INWARD CABLEGRAM

RTH 4

I. 40974

FROM

TOD 14.4.70...1626 LT

AUSTRALIAN EMBASSY
DJAKARTA

TOR 14.4.70...2121 LT

1340

SECRET

ADDRESSED CANBERRA 1340 REPEATED WASHINGTON 7

UNITED STATES MILITARY ASSISTANCE PROGRAMME.

REFERENCE WASHINGTON'S TELEGRAMS NO.1861 AND
1999.GALBRAITH SAYS THAT THE IMPETUS FOR THIS EXPANSION
IN THE M.A.P. IS COMING FROM THE WHITE HOUSE.HE CONSIDERS IT TO BE PART OF THE PRESIDENT'S
THINKING ABOUT ASIAN COUNTRIES DOING MORE FOR THEIR OWN
DEFENCE AND SECURITY AND THAT IT IS DESIGNED TO
ENCOURAGE THE INDONESIANS IN A MODEST WAY.THE TOTAL FIGURE OF DOLLARS 15 MILLION HAS BEEN
SET ARBITRARILY AND IS NOT YET PROGRAMMED.GALBRAITH SAYS THAT HE HAS AGAIN COME UNDER STRONG
PRESSURE, FROM PRESIDENT SOEHARTO DOWN, FOR
THE SUPPLY OF GROUND ATTACK SUPPORT AIRCRAFT TO
BE INCLUDED.THE INDONESIANS ARE NOT ONLY TALKING ABOUT B-26
AIRCRAFT, WHICH ACCORDING TO GALBRAITH ARE JUST ABOUT
AT THE END OF THEIR USEFUL LIFE, BUT ALSO ABOUT
THE OV10A TURBO-PROP AIRCRAFT WHICH ARE OPERATIONAL
IN VIETNAM.THE MAIN REASONS FOR INDONESIA WANTING THEM, HE
THINKS, ARE PRESTIGE, PILOT TRAINING AND CREDIBILITY
FOR THE AIRFORCE.MIN. AND DEPT. OF E. A.
MIN. AND DEPT. DEFENCE
J. I. O.
D. C. O.
P. M. S.SEC DEP SEC FAS(1) INT SEA M AND IG DL FAS(2) PACAM
AM FAS(3) FAS(4) ICR PIO

WASHINGTON

SECRET

SECRET

3034/11/161

EXTERNAL AFFAIRS

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Mr. L. S. Luff

Note for the Secretary pls. Explain
 visit status - existence of invitation, past history,
 why question is now in point. By NZ also wants
 Dochow to visit there when he visits Australia so we
 should inform them of this. There are no major
 engagements for the Minister in the first half of June
 (check). There is the Holyoake visit which may
 be relevant (give dates). ~~Secretary is~~

Michael B
 9/1/170

2024/1/31

2024/1/31

DEPARTMENT OF EXTERNAL AFFAIRS

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INWARD CABLEGRAM

LH 3

I.35105

FROM

TOD 31.3.70...1942 LT

AUSTRALIAN EMBASSY
WASHINGTON

TOR 01.4.70...1050 LT

1861 SECRET.

ADDRESSED CANBERRA 1861, REPEATED DJAKARTA OP321.

INDONESIA - UNITED STATES MILITARY ASSISTANCE.

MASTERS (STATE) INFORMED US TODAY DURING THE COURSE OF A GENERAL CONVERSATION THAT THE UNITED STATES GOVERNMENT HAD DECIDED TO INCREASE THE SIZE AND BROADEN THE GUIDELINES OF ITS MILITARY ASSISTANCE PROGRAM (MAP) TO INDONESIA.

PRESENT THINKING WAS IN GENERAL TERMS AND NO DETAILS HAD YET BEEN WORKED OUT.

UNITED STATES WERE THINKING OF INCREASING THE MAP VOTE TO ABOUT DOLLARS 15 MILLION.

THIS FIGURE WOULD INCLUDE THE PRESENT DOLLARS 5.8 MILLION PROGRAMME PLUS SURPLUS MILITARY EQUIPMENT OBTAINED FROM VIETNAM (MASTERS MENTIONED SUCH ITEMS AS TRUCKS AND BULLDOZERS).

SOME NON-SOPHISTICATED COMBAT MATERIAL WOULD PROBABLY ALSO BE INCLUDED RELATING TO THE INTERNAL SECURITY AND COUNTER-INSURGENCY FIELDS.

THE VALUE OF THIS PART OF THE PROGRAMME WOULD BE SMALL, POSSIBLY ONLY ONE OR TWO MILLION DOLLARS.

THE EXACT ITEMS HAD NOT BEEN WORKED OUT BUT WOULD PROBABLY INCLUDE PATROL BOATS AND OTHER EQUIPMENT WHICH HAD A LIMITED AND INTERNAL SECURITY ROLE.

2. MASTERS SAID THAT THE UNITED STATES CONTINUED TO BELIEVE THAT THE MAIN THRUST OF THEIR AID PROGRAMME TO INDONESIA SHOULD BE DIRECTED TO THE ECONOMIC FIELD AND THE MILITARY PROGRAMME SHOULD BE IN SUPPORT OF THIS.

IN EXPANDING THEIR MAP THE UNITED STATES WERE CONCERNED THAT IT SHOULD NOT ALARM INDONESIA'S NEIGHBOURS., MASTERS HAD MALAYSIA AND SINGAPORE PARTICULARLY IN MIND.

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DEPARTMENT OF EXTERNAL AFFAIRS

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INWARD CABLEGRAM

- 2 -

I.35105

HE SAID THAT THE VIEWS OF THE UNITED STATES AMBASSADOR TO INDONESIA WERE BEING SOUGHT AS TO THE ITEMS THAT MIGHT BE INCLUDED.

HE SUGGESTED OUR RESPECTIVE AMBASSADORS IN DJAKARTA SHOULD CONTINUE TO LIAISE CLOSELY ON THIS MATTER.

3. IN ANSWER TO OUR QUESTIONS MASTERS SAID THE INDONESIANS HAD NOT YET BEEN INFORMED OF THE POLICY CHANGE BUT WOULD PROBABLY BE INFORMED IN THE NEXT FEW DAYS.

THE NEW PROGRAMME WOULD GO INTO EFFECT IN THE 1971 FINANCIAL YEAR BEGINNING 1ST JULY.

MIN AND DEPT E.A.
MIN AND DEPT DEFENCE
J.I.O.
D.C.O.
P.M'S

SECRET

SECRET

SEC DEP SEC FAS(1) INT SEA M ANDI DL FAS(2)
PACAM AM FAS(3) ER AID FAS(4) ICR PIO
DJAKARTA KUALA LUMPUR SINGAPORE

Comment

Washington memo 3034 / 11/161
308 / 70

13. Masters is a strong champion of a positive United States role in Indonesia and, on the basis of our discussion with him over the last 18 months, we believe he has done much to shape United States' policy on such questions as Indonesian debts and the Asian Development Bank. He appears to have reasonably good relations with his senior officers, including Marshall Green, although

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CONFIDENTIAL

CONFIDENTIAL

4.

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on one occasion at least he has spoken of going directly to the Secretary of State, Rogers, if necessary on the question of United States' policy towards the Asian Development Bank West Irian Fund. Possibly some underlying tensions exist in his relations with Green that we do not know about.

14. We have the impression that Masters is finding it increasingly difficult to get a sympathetic hearing for pro-Indonesian policy outside the State Department. He is very conscious of the changing mood on Capitol Hill and appears to be becoming more fearful that even streamlined policies which involve the minimum expenditure of funds may not be approved. Our guess is that he is fighting a losing battle on some of these questions at the present time. But if United States policy towards Indonesia manages, despite post-Guam neo-isolationist pressures, to preserve a positive and constructive shape over the next year and avoid the generation of serious frictions in relations Masters must be given high marks for his moderating role and for minimizing the extent to which the United States' commitment to Indonesia is whittled down.

A. F. DINGLE
(A. F. Dingle)
First Secretary

CONFIDENTIAL

3034 (11/161)

DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

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SECRET

LH 5

I.18664

FROM

TOD 19.2.70...0915 LT

AUSTRALIAN EMBASSY
DJAKARTA

TOR 19.2.70...1233 LT

622 SECRET.

REFERENCE MY TELEGRAM NO 345.

PRESIDENT SOEHARTO.

THE PRESIDENTS VISIT TO WASHINGTON IS FIRING-UP FOR 26-27TH
MAY WITH THE CONTINUATION TO CANADA STILL UNDER DISCUSSION.

JOCKEL.

SECRET

MIN AND DEPT E.A.
MIN AND DEPT DEFENCE
J.I.O.
D.C.O.
P.M'S

SECRET

SEC DEP SEC FAS(1) INT SEA M AND IO FAS(2) PACAM
AM FAS(3) FAS(4)

UPI-333X

BERETS 2/17

3034 11/161

h. McNamee
12/17

DJAKARTA (UPI)--THE INDONESIAN STUDENT DAILY KAMI SAID IN AN EDITORIAL TUESDAY THAT IT FELT UNEASY OVER THE PRESENCE OF UNITED STATES SPECIAL FORCES (GREEN BERET) TRAINING OFFICERS IN THIS COUNTRY.

THE STUDENT DAILY WAS REFERRING TO A SIX-MEMBER U.S. MILITARY CIVIC ACTION INSTRUCTION TEAM FROM OKINAWA WHICH IS CONDUCTING A SHORT TRAINING COURSE FOR INDONESIAN OFFICERS IN BANDUNG, WEST JAVA.

A U.S. EMBASSY DEFENSE SPOKESMAN TOLD UPI, "THIS INSTRUCTION TEAM IS NOT A SPECIAL FORCES UNIT. SOME OF THE OFFICERS ON THE TEAM ARE SPECIAL FORCES QUALIFIED, HOWEVER, AND ARE ENTITLED TO WEAR THE GREEN BERET."

THE SPOKESMAN SAID THE TEAM OPENED A CIVIC ACTION TRAINING COURSE FOR ABOUT 75 INDONESIAN OFFICERS ON FEB. 9. THE COURSE WILL CONCLUDE MARCH 3. THE SPOKESMAN SAID THE COURSE DEALS ENTIRELY WITH CIVIL PROJECTS SUCH AS ROAD AND BRIDGE BUILDING AND IRRIGATION IMPROVEMENT PROJECTS AT THE VILLAGE LEVEL. HE SAID THE COURSE WAS NOT RELATED TO MILITARY OR COMBAT INSTRUCTION WHATSOEVER.

THE STUDENT DAILY SAID IT APPRECIATED THE VALUE OF INSTRUCTION FOR INDONESIAN OFFICERS BUT HAD QUALMS ABOUT HOW SUCH AMERICAN ASSISTANCE WOULD BE VIEWED BY EXTREMISTS AT HOME AND ABROAD. KAMI SAID AMERICAN INVOLVEMENT IN SOUTH VIETNAM BEGAN WITH AMERICAN ARMY INSTRUCTORS TRAINING SOUTH VIETNAMESE OFFICERS, AND THE PRESENCE OF THE AMERICAN INSTRUCTORS MIGHT GIVE THE WRONG IMPRESSION THAT INDONESIA WAS TAKING SIDES.

(MORE) JSFC9:56P-

1-335X

BERETS 2/17

1ST ADD BERETS DJAKARTA XXX SIDES.

THE UNITED STATES PROVIDES VIRTUALLY NO MILITARY ASSISTANCE TO INDONESIA AT PRESENT.

PRESIDENT RICHARD NIXON PLEDGED LAST SUMMER DURING A VISIT HERE THAT THE U.S. WOULD PROVIDE SUPPLIES AND TRAINING HELP TO THE INDONESIAN ARMY'S FLEDGLING CIVIC MISSION PROGRAM TO IMPROVE LIFE IN BACKWARD VILLAGES. THAT HELP IS TAKING THE FORM OF TRUCKS, BULLDOZERS AND OTHER CONSTRUCTION AND ROADBUILDING VEHICLES, PLUS TRAINING COURSES SUCH AS THE ONE PRESENTLY UNDERWAY IN BANDUNG.

THE U.S. EMBASSY DEFENSE SPOKESMAN TOLD UPI THE SIX-MAN AMERICAN TRAINING TEAM INCLUDES ONE VETERINARIAN, TWO ENGINEERS, ONE AGRICULTURAL EXPERT, ONE MEDICAL DOCTOR AND ONE SPECIALIST IN PUBLIC EDUCATION. HE SAID THE COURSE INCLUDED ONE WEEK OF CLASSROOM INSTRUCTION ON HOW TO ORGANIZE AND MANAGE CIVIC ACTION PROJECTS, BASED ON THE AMERICAN EXPERIENCE IN SOUTHEAST ASIA.

BEGINNING THIS WEEK THE INDONESIAN OFFICERS WERE TO BE ASSIGNED TO SURVEY VILLAGES IN THE BANDUNG AREA AND TO PROPOSE AND ORGANIZE IMPROVEMENT PROJECTS WITHIN THE LIMITATIONS OF BUDGET AND MANPOWER. THE AMERICAN INSTRUCTORS AND SENIOR INDONESIAN OFFICERS WILL REVIEW THE PLANNING OF EACH OFFICERS PROJECT AT THE END OF THIS MONTH AND WRITE CRITIQUES ON THEIR PERFORMANCE.

THE DEFENSE SPOKESMAN SAID THAT THE INDONESIAN OFFICERS PARTICIPATING ARE COMPANY AND BATTALION LEVEL CIVIC ACTION DIRECTORS. (UPI)

GALLOWAY/FC10:D2P-

X

L. McLeana
12/18

3034/11/161

DEPARTMENT OF EXTERNAL AFFAIRS

Djakarta INWARD SAVINGRAM No 5

30.1.70

CONFIDENTIAL

10.

I.11892

much prominence. The Government has ordered an investigation into the accident.

EXTERNAL

U.S. Military Aid to the Air Force

28. In a ceremony at Adisutjipto Air Force Base on 26th January 1970, the United States Ambassador to Indonesia formally handed over fifteen Cessna T41G training aircraft to the Indonesian Air Force. Eight of the fifteen aircraft were delivered in crates during November 1969, assembled at Surabaya during December, and were all flying early in the New Year. Another aircraft will be delivered in February, and the delivery schedule for the remaining six is not yet known. There is some doubt as to whether the remaining aircraft will be assembled at Surabaya or at Jogjakarta.

29. The gift is regarded by the American Embassy as falling within the broad category of civic mission aid, in that flying training is related to other civic mission projects of the Indonesian Air Force.

CONFIDENTIAL

CONFIDENTIAL

EXTERNAL:

Vice-President Agnew in Bali

3034/11/161

175

Djakarta SW 3

16.1.70

14. Vice-President Agnew stayed in Bali from 11th to 13th January. He had a fairly short discussion with Foreign Minister Malik in which views were exchanged on matters of mutual general interest. No matters of particular significance for bilateral relations were discussed.

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He said that for the April 1969, - April 1970 period the Djakarta Metropolitan Administration had approved a number of projects under the Djakarta Five-Year Plan at a total cost of 3,805 million rupiahs. 174

The Governor said that the revenues of the Metropolitan Administration in 1966 had been 223 million rupiahs, in 1967 1.2 billion rupiahs, in 1968 3.6 billion and in 1969 (to November) 6.4 billion rupiahs.

8. DEBT-RESCHEDULING PACT SIGNED.

At the Foreign Office in Djakarta on December 27 Indonesia and West Germany signed an agreement on the rescheduling of Indonesia's debts to that country.

The agreement postpones to 1973 repayment of debts due between January 1 and December 31, totalling DM45 million. Repayment will be made quarterly from 1973 to 1980.

Indonesia's pre-1966 debts to West Germany totalled US\$128.6 million, or about DM 514.4 million, excluding interest, and only 25 per cent of the total has so far been rescheduled.

Unless the Paris Club countries approve a proposal for the long-term postponement of the repayments, the rescheduling of the remaining debts will have to be negotiated in each of the coming years.

9. INCREASED BREMEN SALES OF INDONESIAN TOBACCO.

Indonesian tobacco sales at the Bremen, West Germany, auctions in 1969 yielded 96 million DM--8 million more than in the previous year.

During the year five auctions of tobacco from Sumatra and five of tobacco from Java were held, the offerings totalling 127,481 bales, and only 7500 bales were not sold.

Deals in smaller quantities took place outside the auctions, and, including these, the total sales yield of Indonesian tobacco at Bremen was 108 million DM.

Because of a trend for smokers to switch to cigarettos -- small-sized cigars -- cigar consumption in Europe experienced a setback, which affected Indonesia's tobacco exports.

10. KUALA LUMPUR FLIGHTS TO BE RESUMED.

Garuda Indonesian Airways will resume flights to Kuala Lumpur, Malaysia, on January 16.

Provision for this was contained in an agreement signed by Indonesia and Malaysia in Djakarta on December 18.

The Director-General of Air Communications, Commodore Susanto, represented Indonesia and the Permanent Secretary of the Malaysian Communications Ministry, Mr. Raja Sam, represented Malaysia.

The signing was a sequel to consultations between communications officials of the two countries held in Djakarta from December 16 to 18.

.../6.

Under the agreement the Indonesian Government has named PN Merpati Nusantara Airline a second company to operate regularly to Kuala Lumpur.

11. MR. AGNEW "TOURIST" VISITOR TO BALI.

Vice-President Spiro T. Agnew, of the United States, was scheduled to arrive at Bali from Singapore on January 11 and leave for Canberra on January 13.

The Indonesian Foreign Minister, Mr. Adam Malik, said beforehand that, although he would be on Bali Island to meet Mr. Agnew and his party, no official discussions would take place.

Mr. Agnew would visit Bali as a tourist, doing some sightseeing.

Mr. Agnew represented President Nixon at the inauguration of the recently re-elected President Marcos of the Philippines in Manila on December 31.

At the same ceremony Mr. Malik represented President Suharto.

12. INTEREST IN ASIAN FORUM PROPOSAL.

Indonesia was following with great interest the concept of a forum for all Asian nations, as envisaged by President Marcos of the Philippines.

The Indonesian Foreign Minister, Mr. Adam Malik, said this in Manila on December 29.

He said the concept had been discussed during the recent Ministerial Conference in Kuala Lumpur of ASEAN.

President Marcos had said that all nations could gather in the forum to exchange views and discuss the problems of the region.

13. SOVIET EMBASSY PRESENTS QUR'AN TAPES.

A presentation of recorded tapes containing quotations from Al Qur'an has been made to the Head of the Public and Foreign Relations Bureau of the Religious Department, Professor Ibrahim Hosen.

The presentation was made on December 29 by the Second Secretary of the Embassy of the USSR.

The tapes are a gift of the High Spiritual Board for Muslims of Central Asia and Kazakhstan.

14. INDONESIA'S EXPO-70 PAVILION COMPLETED.

In Tokyo on December 28 Indonesia and Tanzania announced completion of their respective pavilions for Expo-70, at the world fair site in Osaka.

The Indonesian pavilion comprises four display houses, surrounding a restaurant building on a 2800-metre area.

The Tanzanian pavilion has a total floor space of 240 square metres.

SECRET

Files 221/5
221/5/22
221/4/16

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RECORD OF CONVERSATION

With: Abu Bakar Lubis, Chief of the Minister's
Staff, Ministry of Foreign Affairs,
Djakarta,

On: 9th January, 1970.

Officer F.R. Dalrymple
Present:

MAIN VICE-PRESIDENT AGNEW'S VISIT.
SUBJECTS: THAILAND AND MALAYSIA.
SABAH ISSUE.
CAMBODIA.
RELATIONS WITH THE SOVIET UNION.

VICE-PRESIDENT AGNEW'S VISIT:

1. Lubis said that he would be going to Bali this evening with Mr. Malik to welcome Mr. Agnew, but the Vice-President had already made it clear that he wished to make the visit a holiday and a rest and had no substantive matters to raise with the Indonesian Government. In fact, only half-an-hour had been set aside after dinner for official talks and the Indonesians on their side had nothing to raise.

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UPI-232

AGNEW 1/11

URGENT

3RD LD UPI-233

BY JOE GALLOWAY

DENPASAR, BALI (UPI)-- U.S. VICE PRESIDENT SPIRO T. AGNEW AND INDONESIAN FOREIGN MINISTER ADAM MALIK SAT DOWN FOR ONE HOUR OF PRIVATE CONVERSATION SUNDAY AFTERNOON.

THE TALKS WERE LISTED AS INFORMAL AND THERE WERE NO PRIORITIES FOR THE TWO LEADERS TO DISCUSS, AND THERE WERE NO OFFICIAL COMMENTS OR STATEMENTS AFTER THE MEETING.

MALIK HAS TOLD NEWSMEN EARLIER THIS WEEK, HE HAS HAD TALKS WITH AGNEW TWICE IN RECENT MONTHS--IN WASHINGTON AND THEN IN MANILA--AND THERE WERE NO PROBLEMS IN AMERICAN-INDONESIAN RELATIONS THAT NEEDED DISCUSSION.

FOLLOWING THE ONE-HOUR-LONG CONFERENCE, AGNEW AND MALIK JOINED AMERICAN APOLLO ASTRONAUT THOMAS P. STAFFORD IN A BRIEF CEREMONY BEFORE NEWSMEN.

ASTRONAUT STAFFORD PRESENTED MALIK WITH A SAMPLE OF MOON-ROCK AND A TINY INDONESIAN FLAG. THE MOON-ROCK WAS AMONG THOSE COLLECTED DURING THE APOLLO-11 FLIGHT AND THE INDONESIAN FLAG HAD JOURNEYED TO THE SURFACE OF THE MOON WITH THE ASTRONAUT.

THE FOUR TINY CHIPS OF MOON-ROCKS WERE ENCLOSED IN A TINY PLASTIC GLOBE.

IN A BRIEF SESSION FOR PHOTOGRAPHERS AT THE BEGINNING OF THE CONFERENCE, AGNEW AND MALIK MADE SOME SMALL TALKS AS THEY POSED FOR THE PHOTOGRAPHERS.

THE VICE PRESIDENT LOOKED OUT OF THE NINTH FLOOR WINDOWS OF THE HOTEL AT THE PANORAMIC VIEW OF THE BALINESE SEACOAST AND SAID, +IT'S VERY PLEASANT. THIS IS THE FIRST REPORT POSTURE WE HAVE BEEN IN THIS TRIP.+

THE VICE PRESIDENT ADDED, +I AM AFRAID WE WON'T GET MUCH CHANCES TO UNWIND AND ENJOY IT,+ AGNEW ADDED.

MORE

PC/335P/045Y

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UPI-055-X

ROGERS 12/24

4TH ADD ROGERS WASHINGTON (UPI-055-X) XXX SOVEREIGNTY.+
ASKED TO LIST WHAT HE CONSIDERED THE ADMINISTRATIONS
OTHER MAJOR FOREIGN POLICY ACCOMPLISHMENTS SINCE JANUARY,
ROGERS GAVE THE FOLLOWING LIST:

--THE SUCCESSFUL CONCLUSION OF THE FIRST PHASE OF ARMS
TALKS WITH THE RUSSIANS.

--WE UNDERScoreD OUR COMMITMENT TO NATO,+ IMPROVED
RELATIONS WITH FRANCE, AND ESTABLISHED EXCELLENT RAPPORT WITH
THE NEW GOVERNMENT IN WEST GERMANY.

--IN SOUTHEAST ASIA, THE UNITED STATES REDUCED ITS +PRESENCE
IN VIETNAM AND MILITARY STRENGTH IN THAILAND,+ WITHOUT CAUSING
THE NON-COMMUNIST NATIONS OF THAT AREA +TO BELIEVE THAT WE
ARE GOING TO RENEGE ON OUR OBLIGATIONS.+

--THE SUCCESS IN INDONESIA, WHERE THE UNITED STATES HAS
PLAYED A ROLE IN HELPING STABILIZE THE ECONOMY.

--THE AGREEMENT TO RETURN OKINAWA TO JAPAN WHICH WILL RESULT
IN IMPROVED RELATIONS +IN THAT PART OF THE WORLD FOR MANY
YEARS TO COME.+

--THE EVIDENCE THAT IT MAY BE POSSIBLE TO GET COMMUNIST
CHINA TO RESUME THE WARSAW TALKS, WHERE THE UNITED STATES
HOPES TO WORK TO RELIEVE TENSIONS BETWEEN THE TWO COUNTRIES.

HIS MAJOR DISAPPOINTMENT, ASIDE FROM THE CONTINUED DEADLOCK
AND DISORDER IN THE MIDDLE EAST, WAS THAT THE +TRAGIC WAR
IN NIGERIA+ HAD NOT BEEN SETTLED.

-TP/257AM/051W-

of 30 34 / 11 / 161



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UPI 195X

AGNEW 12/19

DJAKARTA (UPI)--U.S. VICE PRESIDENT SPIRO AGNEW WILL ARRIVE ON THE RESORT ISLAND OF BALI JANUARY 11 FOR A TWO-DAY REST DURING HIS ASIAN TOUR.

AN AMERICAN EMBASSY SPOKESMAN IN DJAKARTA SAID THE VICE PRESIDENT AND MRS. AGNEW WOULD ENJOY A +VERY RELAXED SCHEDULE+ DURING THE BALI VISIT.

THE VICE PRESIDENTIAL PARTY WILL STAY AT THE AMERICAN-RUN BALI BACH HOTEL, JUST OUTSIDE THE BALINESE CAPITAL OF DENPASAR.

THE HOTEL WAS CHOSEN OVER AN INDONESIAN GOVERNMENT OFFER TO ACCOMMODATE AGNEW'S PARTY AT THE PRESIDENTIAL SUMMER PALACE LOCATED INLAND AT TAMPAKSIRING.

IT WAS EXPECTED THAT INDONESIAN FOREIGN MINISTER ADAM MALIK OR ANOTHER INDONESIAN CABINET LEVEL OFFICIAL WOULD GO TO BALI TO HOST AGNEW'S VISIT.

THE ONLY FORMAL OCCASION SCHEDULED DURING THE VICE PRESIDENT'S BALI VISIT IS A SMALL DINNER AGNEW WILL GIVE FOR HIS INDONESIAN HOSTS ON THE EVENING OF HIS ARRIVAL.

MANOE ON JANUARY 12 AGNEW AND HIS WIFE WILL ATTEND A PERF A TRADXXXX

HOSTS ON THE EVENING OF HIS ARRIVAL.

ON JANUARY 12 AGNEW AND HIS WIFE WILL ATTEND A PERFORMANCE OF A TRADITIONAL BALINESE BARONG DANCE WHICH ENDS WITH THE MALE DANCERS PRESSING SHARP KRIS KNIVES AGAINST THEIR OWN CHESTS WHILE IN A STATE OF TRANCE.

AFTER THE DANCE PERFORMANCE THE AGNEWS WILL HAVE TIME TO SHOP, SIGHTSEE, SWIM OR BEACHCOMB AS THEY CHOOSE.

THE VICE PRESIDENT'S PARTY WILL DEPART FOR AUSTRALIA ON THE MORNING OF JANUARY 13, THE EMBASSY SPOKESMAN ADDED. (UPI)

C 1059A/

2. 3034/11/161

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7. FIVE-DAY VISIT BY US PACIFIC COMMANDER

The Commander of the United States Forces in the Pacific, Admiral John S. McCain, made a five-day visit to Indonesia, beginning on November 1.

He was accompanied by his wife and staff.

Among those who greeted them at the airport was the First Deputy to the National Defence and Security Chief of Staff, Rear-Admiral R.S. Subiakto.

A visit was paid to Tangerang, 20 kilometres west of Djakarta, where the Armed Forces, as part of their civic mission, are building an irrigation project, an undertaking which is receiving aid from the US Defence Liaison Group in Djakarta.

On the morning of November 2 the visiting Admiral was received by the President, General Suharto, who is also Minister for National Defence and Security and Supreme Commander of the Armed Forces.

Courtesy calls were paid also on the Chiefs of Staff of the Indonesian Army, Navy and Air Force and the State Police Chief.

A visit was paid to the Indonesian Naval Base at Surabaya and to Bali.

3034/11/161

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[Handwritten signature]
12/12/7

-AAP201 18 NOV 69 1230

MALIK

WASHINGTON, NOV 17, AAP REUTER - INDONESIA FOREIGN MINISTER ADAM MALIK TODAY CONFERRED FOR 35 MINUTES WITH PRESIDENT NIXON, WHOSE VISIT TO DJAKARTA EARLIER THIS YEAR UNDERLINED A NEW WARMTH IN U.S.-INDONESIAN RELATIONS.

MR. MALIK IS ON A TWO-DAY OFFICIAL VISIT TO WASHINGTON AT THE INVITATION OF SECRETARY OF STATE WILLIAM ROGERS, WHOM HE SAW EARLIER TODAY.

A WHITE HOUSE SPOKESMAN SAID MR. NIXON AND THE FOREIGN MINISTER DISCUSSED ASIAN PROBLEMS AND BILATERAL QUESTIONS AFFECTING THEIR TWO COUNTRIES.

AN INDONESIA SPOKESMAN SAID MR. MALIK HAD NO SPECIFIC MATTERS TO RAISE ON HIS VISIT HERE AND AID WAS NOT DISCUSSED.

MR. MALIK WILL CALL ON MEMBERS OF THE SENATE FOREIGN RELATIONS COMMITTEE TOMORROW BEFORE LEAVING FOR HOME.

[Handwritten signature]

-AAP212 18 NOV 69 1258

AID

DJAKARTA, NOV. 18 AAP REUTER -- INDONESIA AND THE UNITED STATES HAVE SIGNED AN AGREEMENT THAT WILL PROVIDE THIS COUNTRY WITH 54.3 MILLION U.S. DOLLARS (ABOUT 48 MILLION DOLLARS) WORTH OF AMERICAN FOOD AND COTTON ON A LONG TERM, LOW COST LOAN.

INDONESIA WILL GET 150,000 TONS OF RICE, 150,000 TONS OF WHEAT AND 120,000 BALES OF COTTON.

THE CREDITS ARE REPAYABLE WITHIN 40 YEARS, INCLUDING A 10 YEAR GRACE PERIOD AT AN INTEREST RATE OF TWO PERCENT.

THE AGREEMENT WAS SIGNED YESTERDAY BY ACTING FOREIGN MINISTER DR UMAR SENADJI AND THE U.S. AMBASSADOR HERE, MR FRANCIS GALBRAITH.

AAP REUTER OM

of 3034/11/161

DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

3034/11/161
F 167

BKP3

I.113318

FROM

TOD 6.11.69 ... 1649 LT

AUSTRALIAN EMBASSY,
WASHINGTON.

TOR 7.11.69 ... 0817 LT

7368. CONFIDENTIAL.

ADDRESSED CANBERRA 7368, REPEATED NEW YORK 196
LONDON 636 (FOR EXTERNAL), THE HAGUE OP 1045, DJAKARTA OP 1046.

INDONESIA.

MALIK WILL PAY AN INFORMAL VISIT TO WASHINGTON, 15TH-18TH
NOVEMBER.

HE WILL CALL ON ROGERS AND RENEW CONTACTS WITH CERTAIN
CONGRESSMEN.

HE IS EXPECTED TO RAISE INDONESIA'S AID PROBLEMS.

2. REFERENCE NEW YORK'S 1732 AND 1840 TO CANBERRA, MASTERS (STATE)
SAYS HE HAS RECEIVED NO INFORMATION FROM THE U.S. MISSION TO THE
UNITED NATIONS ON EITHER THE HANDLING OF THE WEST IRIAN ITEM OR THE
ACTIVITIES OF NICOLAAS JOUWE.

HE WAS INTERESTED TO LEARN OF JOUWE'S INTENTION TO VISIT
WASHINGTON AGAIN AND COMMENTED THAT WHEN HE HAD COME EARLIER IN
THE YEAR WITH WOMSIWOV HE HAD SEEN AN AIDE TO SENATOR DODD
(SENATE FOREIGN RELATIONS COMMITTEE).

IN VIEW OF THE NEGATIVE RESPONSE JOUWE HAD GOT TO HIS APPEALS
FOR ASSISTANCE ON HIS EARLIER VISIT.

MASTERS SAID HE WOULD BE SURPRISED IF HE CALLED AT THE STATE
DEPARTMENT AGAIN.

MIN. AND DEPT.E.A.
MIN. AND DEPT.DEFENCE
D.C.O.
P.M.'S

SEC DEP SEC FAS(1) AS(JIC) INT SEA M AND IG DL
FAS(2) PACAM AMSP FAS(3) FAS(4) EAMEC E ICR PIO

DJAKARTA THE HAGUE LONDON

CONFIDENTIAL

CONFIDENTIAL

DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

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CONFIDENTIAL

BKP3

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DJAKARTA THE HAGUE LONDON

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UPI-171

MCCAIN 11/2

DJAKARTA (UPI)--ADM. JOHN S. MCCAIN, COMMANDER OF U.S. FORCES IN THE PACIFIC, ARRIVED SATURDAY FOR A FIVE-DAY VISIT AS GUEST OF THE GOVERNMENT.

MCCAIN, WHO WAS MET BY VICE ADMIRAL SUBJIJAKTO, FIRST DEPUTY CHIEF OF STAFF OF THE INDONESIAN DEFENSE AND SECURITY MINISTRY, AND U.S. AMBASSADOR FRANCIS J. GALBRAITH, DID NOT SPEAK TO NEWSMEN ON ARRIVAL.

HE IS SCHEDULED TO MAKE A COURTESY CALL ON PRESIDENT SUHARTO MONDAY.

HE WILL MEET WITH SERVICE CHIEFS AND INSPECT MILITARY INSTALLATIONS AND MILITARY CIVIC ACTION PROJECTS IN SEVERAL PARTS OF THE COUNTRY BEFORE LEAVING FOR HIS HONOLULU HEADQUARTERS FROM BALI WEDNESDAY, OFFICIALS SAID.--(UPI)

H-1153A

h. Bungs...

Confidential

EXTERNAL:

Adam Malik:

3034/11/161

19. Foreign Minister Malik leaves at the end of this week to attend the Colombo Plan Conference in Canada. From there he will go to the United Nations General Assembly and after the West Irian item is considered, commencing on 13th November, he will go to Washington for a few days before returning to Indonesia.

CONFIDENTIAL

Djakarta Telegram 58
of 28.10.69.

UPI-283

DISCOURAGED 10/25

ADVANCE FOR 1130 GMT MONDAY

WASHINGTON (UPI)--AID DIRECTOR JOHN HANNAH SAYS HE THINKS AID SHOULD BE CONTINUED TO INDONESIA, BUT ADDED THAT HE IS +DISCOURAGED+ THAT SHE CONTINUES TO RECOGNIZE U.S. FOES RATHER THAN FRIENDS IN ASIA.

HANNAH WAS QUESTIONED ABOUT INDONESIA DURING RECENT CLOSED-DOOR HEARINGS OF THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON FOREIGN AID, AND PARTIALLY-CENSORED TRANSCRIPT OF THE TESTIMONY WAS PUBLISHED MONDAY.

REPUBLICAN CONGRESSMAN GARNER SHRIVER NOTED THAT THE UNITED STATES PLANS TO SPEND APPROXIMATELY 66.5 MILLION (M) U.S. DOLLARS ON AID TO INDONESIA DURING THE CURRENT YEAR, AND ASKED HANNAH IF +IT MAKES ANY DIFFERENCE+ THAT INDONESIA RECOGNIZES NORTH VIETNAM BUT NOT SOUTH VIETNAM, NORTH KOREA BUT NOT SOUTH KOREA, RED CHINA BUT NOT THE REPUBLIC OF CHINA.

+IF I WERE STARTING FROM SCRATCH, CERTAINLY I WOULD TAKE INTO CONSIDERATION WHETHER INDONESIA IS GIVING A LOT OF DIPLOMATIC SUPPORT TO COMMUNIST CHINA, NORTH VIETNAM, AND NORTH KOREA,+ HANNAH REPLIED.

AS TO WHETHER HE WOULD CONTINUE LARGE ASSISTANCE PROGRAMS ALREADY UNDERWAY, HE SAID: +THE ANSWER IS ~~YES~~.+ BUT I WOULD BE DISCOURAGED.+

HE PROMISED TO +TAKE ANOTHER LOOK+ AT THE PROGRAM.(UPI)

FCB:53P-212W-

*h. Briggs 1-2 10.
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3034/11/161*



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DEPARTMENT OF EXTERNAL AFFAIRS

INWARD CABLEGRAM

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of 3034 / 11 / 161

NMCK 4

I. 106645

FROM

TOD 20.10.69...1956 LT

AUSTRALIAN EMBASSY
WASHINGTON

TOR 21.10.69...1017 LT

6945 CONFIDENTIAL

REPEATED PARIS 192 ... THE HAGUE OP966, ... BONN OP967 ...
LONDON 611 ... TOKYO OP968 ... DJAKARTA OP969 ...

INDONESIAN DEBTS.

OUR 6899.

ON 20TH OCTOBER MASTERS (STATE) OUTLINED TO US THE
POSITION TO BE TAKEN BY THE UNITED STATES AT THE 27TH
OCTOBER MEETING IN PARIS OF WESTERN CREDITOR NATIONS.

HE SAID HE WAS PASSING THE INFORMATION TO US IN THE
STRICTEST CONFIDENCE AND PARTICULARLY REQUESTED THAT IT
BE CAREFULLY SAFEGUARDED.

2. THE DELEGATION WOULD BE ABLE TO SAY AT THE MEETING
THAT THE UNITED STATES WAS PREPARED TO ACCEPT ABS' RECOMMENDATIONS
WITHOUT QUALIFICATION IF THE OTHER CREDITORS WERE PREPARED
TO DO LIKEWISE AND SUBJECT TO NECESSARY LEGISLATION
BEING PASSED BY CONGRESS.

MASTERS ADDED THAT IT HAD BEEN GENERALLY FELT AT
THE NATIONAL ADVISORY COUNCIL MEETING THAT LEGISLATION
WOULD BE NECESSARY TO SETTLE CERTAIN PROBLEMS THAT AROSE
AS A RESULT OF ACCEPTING CERTAIN OF ABS' RECOMMENDATIONS,
IN PARTICULAR HIS ZERO INTEREST FORMULA (OUR TELEGRAM 4705
REFERS).

3. THE DELEGATION WOULD ARGUE THAT ABS SHOULD BE GIVEN
A MANDATE TO WORK OUT A SETTLEMENT WITH THE OTHER CREDITOR
NATIONS.

4. MASTERS WAS CLEARLY PLEASED THAT THE UNITED STATES NOW
HAD A FIRM POLICY.

HE ADMITTED THAT A MONTH AGO HE HAD HAD MISGIVINGS
THAT HIS EARLY HOPES MIGHT NOT BE REALIZED.

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5. MASTERS WENT ON TO SAY THAT IT WAS IMPORTANT THAT THE OTHER MAJOR CREDITORS SHOULD SUPPORT A CONTINUING ROLE FOR ABS.

THE UNITED STATES WAS DELIBERATELY AVOIDING CANVASSING SUPPORT SINCE THEY THOUGHT IT MUCH BETTER THAT THE INITIATIVE SHOULD COME FROM THE INDONESIANS THEMSELVES AND FROM ABS.

HE DID NOT KNOW WHAT WAS THE JAPANESE POSITION AND WAS DISTRESSED TO LEARN OF BOOMSTRA'S APPARENT UNCERTAINTY (HAGUE TELEGRAM 815).

HE HAD THOUGHT THE DUTCH WOULD BE MORE WILLING TO TAKE AN INITIATIVE.

CREDITORS COULD SIT AROUND AND DISCUSS THE PROBLEM INDEFINITELY BUT IF PROGRESS WAS TO BE MADE SOME OF THEM HAD TO BACK ABS.

MASTERS PLAINLY DID NOT EXPECT THE FRENCH TO BE PARTICULARLY HELPFUL.

IN HIS OPINION THEY WERE PROBABLY QUITE HAPPY TO CONTINUE WITH AN ANNUAL RE-SCHEDULING ARRANGEMENT WHICH WOULD NOT BE SATISFACTORY FROM THE INDONESIAN POINT OF VIEW.

HE DID NOT THINK THE ITALIANS COULD BE COUNTED ON TO BE OF ANY HELP WHATSOEVER.

HE HAD NO INFORMATION ON THE WEST GERMAN ATTITUDE.

6. IT IS HEARTENING THAT THE UNITED STATES HAS DECIDED TO ACT POSITIVELY IN THIS MATTER.

THEIR DECISION ILLUSTRATES THAT THERE HAS SO FAR BEEN NO WEAKENING OF THEIR POLICY OF ECONOMIC SUPPORT FOR THE SUHARTO GOVERNMENT.

BUT THE CONDITIONS ON WHICH THIS SUPPORT RESTS ARE CLEAR AND REFLECT THE PRINCIPLES OUTLINED IN THE GUAM DOCTRINE.

THE INITIATIVE MUST COME FROM INDONESIA.

THE UNITED STATES RESPONSE MUST BE PART OF A JOINT EFFORT MADE BY ALL THE WESTERN CREDITORS WHICH SHARE A COMMON INTEREST.

THE UNITED STATES IS NOT PREPARED TO BE SEEN TO BE ACTING ALONE IN THIS MATTER., NOR IS IT PREPARED TO TAKE THE INITIATIVE IN MOULDING THE POLICY OF THE WESTERN COUNTRIES CONCERNED.

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DEPARTMENT OF EXTERNAL AFFAIRS
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GIVEN THE CURRENT UNCERTAIN STATE OF PUBLIC AND CONGRESSIONAL OPINION IN THE UNITED STATES OVER U.S. POLICY IN ASIA, IT IS NOT LIKELY THAT THE ADMINISTRATION WILL BE PREPARED TO ASSUME A MORE DIRECT LEADERSHIP ROLE IN INDONESIA IN THE FORESEEABLE FUTURE.

IT WILL THEREFORE BE IMPORTANT THAT THE OTHER WESTERN CREDITOR NATIONS APPRECIATE FULLY THE IMPORTANCE OF BOTH ACCEPTING AND SUPPORTING THIS PARTICULAR U.S. COMMITMENT TO INDONESIA, AND ALSO THAT THEY APPRECIATE THE DANGERS FOR THE FUTURE OF WESTERN SECURITY AND ECONOMIC INTERESTS IN INDOENSIA AND THE SOUTHEAST ASIAN REGION GENERALLY IF THEY ADOPT A NEGATIVE APPROACH TO THE SOLUTION OF THE DEBT RESCHEDULING PROBLEM.

MIN AND DEPT E.A.
MIN AND DEPT DEFENCE
MIN AND DEPT T AND I
TREASURER AND TREASURY
D.C.O.
P.M.S

SEC	FAS(1)	AS(JIC)	INT	SEA	M AND I	DL	FAS(2)
PACAM	AMSP	FAS(3)	ER	AID	FAS(4)	ICR	PIO
BONN	DJAKARTA	THE HAGUE	LONDON	OTTAWA	PARIS	TOKYO	

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3034/11/161
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DEPARTMENT OF EXTERNAL AFFAIRS
OUTWARD CABLEGRAM

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TO

TOD 1.10.69...0855 LT

AUSTRALIAN EMBASSY
DJAKARTA

3117 SECRET

DEFENCE AID TO INDONESIA.

THIS SUBJECT IS EXPECTED TO BE DISCUSSED AT THE ANZUS OFFICIAL MEETING OCTOBER 23/24 UNDER THE HEADING "POLICIES OF ANZUS PARTNERS WITH REGARD TO MILITARY ASSISTANCE".

2. WE SHOULD BE PLEASED TO HAVE BY 14TH OCTOBER AN ACCOUNT OF YOUR THINKING ON THE SUBJECT (ON GENERAL PRINCIPLES RATHER THAN IN DETAILS), COVERING SUCH ASPECTS AS :

(A) THE DESIRABILITY FROM AUSTRALIA'S POINT OF VIEW OF INDONESIA RECEIVING DEFENCE AID.

(B) THE MOST SUITABLE FORMS OF DEFENCE AID.,

(C) WHAT INDONESIA WOULD LIKE TO RECEIVE.,

(D) WHETHER THE PRESENT OR ALTERNATIVE LEADERSHIPS WOULD PAY A POLITICAL PRICE FOR SUBSTANTIAL MILITARY AID.

(E) IS OUR CURRENT LIMITED DEFENCE ASSISTANCE PROGRAMME (YOUR MEMO 1072 CURRENTLY BEING CONSIDERED) A SOUND BEGINNING IN THIS FIELD?

E.A. (696/2/2/1)
DEFENCE
PM'S DEPT
DCO
PM'S

A/SEC FAS(1) AS(JIC) SEA DL* M AND I INT

3034/11/161
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DEPARTMENT OF EXTERNAL AFFAIRS

INWARD CABLEGRAM

VR 2

I.96385

FROM

TOD 22-9-69...2003 LT

AUSTRALIAN EMBASSY
WASHINGTON

TOR 23-9-69...1430 LT

6212 UNCLASSIFIED PRIORITY

FOLLOWING ARE THE MAIN PORTIONS OF SENATOR MANSFIELD'S
REPORT TO THE SENATE COMMITTEE ON FOREIGN RELATIONS ON HIS
RECENT VISIT TO ASIA.
(FULL TEXT BY BAG).

BEGINS -

" 11. THE PRESIDENT'S NEW ASIAN DOCTRINE.

IN THE COURSE OF HIS RECENT TRIP, PRESIDENT NIXON ENUNCIATED
IN THE GUAM DECLARATION A NEW APPROACH TO ASIA AND THE WESTERN
PACIFIC WHICH SEEMS TO ME TO TAKE COGNIZANCE OF THE CONSIDERATIONS
THAT ARE OUTLINED IN THE INTRODUCTORY SECTION OF THIS REPORT.

THE PRESIDENT'S ASIAN DOCTRINE CONTAINS THE FOLLOWING
PERCEPTS, AS I UNDERSTAND THEM AND AS I INTERPRETED THEM TO
VARIOUS ASIAN LEADERS.,

1. THE UNITED STATES WILL MAINTAIN ITS TREATY COMMITMENTS, BUT IT
IS ANTICIPATED THAT ASIAN NATIONS WILL BE ABLE TO HANDLE THEIR
OWN DEFENSE PROBLEMS, PERHAPS WITH SOME OUTSIDE MATERIAL ASSISTANCE
BUT WITHOUT OUTSIDE MANPOWER.

NUCLEAR THREATS ARE ANOTHER MATTER, AND SUCH THREATS WILL
CONTINUE TO BE CHECKED BY COUNTERPOISED NUCLEAR CAPACITY.

2. AS A PACIFIC POWER, THE UNITED STATES WILL NOT TURN ITS BACK
ON NATIONS OF THE WESTERN PACIFIC AND ASIA., THE COUNTRIES OF THAT
REGION WILL NOT BE DENIED A CONCERNED AND UNDERSTANDING EAR IN THE
NATION.

3. THE UNITED STATES WILL AVOID THE CREATION OF SITUATIONS IN WHICH
THERE IS SUCH GREAT DEPENDENCE ON US THAT, INEVITABLY, WE BECOME
ENMESHED IN WHAT ARE ESSENTIALLY ASIAN PROBLEMS AND CONFLICTS.

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INWARD CABLEGRAM

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4. TO THE EXTENT THAT MATERIAL ASSISTANCE MAY BE FORTHCOMING FROM THE UNITED STATES, MORE EMPHASIS WILL BE PLACED ON ECONOMIC HELP AND LESS ON MILITARY ASSISTANCE.

5. THE FUTURE ROLE OF THE UNITED STATES WILL CONTINUE TO BE SIGNIFICANT IN THE AFFAIRS OF ASIA.

IT WILL BE ENACTED, HOWEVER, LARGELY IN THE ECONOMIC REALM AND ON THE BASIS OF MULTILATERAL COOPERATION.

6. THE UNITED STATES WILL LOOK WITH FAVOR ON MULTILATERAL POLITICAL, ECONOMIC, AND SECURITY ARRANGEMENTS AMONG THE ASIAN NATIONS AND, WHERE APPROPRIATE, WILL ASSIST IN EFFORTS WHICH MAY BE UNDERTAKEN THEREUNDER.

III. REACTIONS TO THE NEW ASIAN DOCTRINE.

ACHIEVEMENT OF MANY OF THE OBJECTIVES STATED ABOVE INVOLVES A REDUCTION IN THE U.S. PRESENCE IN SOUTHEAST ASIA.

WHILE THIS REPORT DOES NOT DEAL WITH VIETNAM, IT IS OBVIOUS THAT THE WAR THERE IS THE MAIN CAUSE OF THE MASSIVE DIMENSIONS WHICH THE U.S. PRESENCE HAS ATTAINED.

THAT THE POSSIBILITIES OF DIMINUTION ARE BOUND UP WITH THE END OF THAT TRAGIC CONFLICT DOES NOT MEAN THAT APPLICATION OF THE NEW DOCTRINE MUST AWAIT THE WAR'S TERMINATION.

QUITE APART FROM VIETNAM, THERE ARE OTHER AREAS WHERE CONTRACTIONS MAY BE POSSIBLE.

MOST IMMEDIATELY, UNDER THE NEW APPROACH THERE IS THE POSSIBILITY OF CURBING WHAT SEEM TO BE BUILT-IN TENDENCIES IN THE MANY-SIDED U.S. ESTABLISHMENTS IN ASIA TO EXPAND THE U.S. PRESENCE.

IN GENERAL, THE LEADERS OF ASIAN COUNTRIES AGREE THAT THE ROLE OF THE UNITED STATES IN ASIAN AFFAIRS SHOULD SHRINK.

SOME UNEASINESS DOES EXIST THAT THE PENDULUM WILL SWING TOO FAR, FROM OVER INVOLVEMENT TO NON INVOLVEMENT.

THE FEAR IS THAT THE UNITED STATES MAY LEAVE THE SMALLER ASIAN STATES IN ISOLATION AND UNDER THE SHADOW OF ONE OR ANOTHER MORE POWERFUL NEIGHBOR.

THERE IS ALSO SOME UNCERTAINTY AS TO WHAT THE NEW DOCTRINE WILL MEAN IN SPECIFIC TERMS.

THIS UNCERTAINTY IS UNDERSTANDABLE SINCE THERE WAS NOT, AT THE TIME OF MY VISIT, ANY SIGN OF A FOLLOWTHROUGH TO THE NEW DOCTRINE.

INDEED, OTHER THAN THE TRANSIENT STIMULUS OF THE PRESIDENT'S RECENT PERSONAL APPEARANCE, LITTLE, IF ANY, CHANGE WAS VISIBLE.

THE CONCEPTS, PRACTICES, AND PROGRAMS BY WHICH U.S. MISSIONS

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INWARD CABLEGRAM

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I.96385

IN ASIA HAVE OPERATED FOR MANY YEARS REMAIN THE SAME.

NOTWITHSTANDING THE PRESIDENT'S RECENT VISIT AND PRESIDENTIAL STATEMENTS TO THE CONTRARY, SOME U.S. MISSIONS STILL EXPECT THIS NATION TO CONTINUE AS A MAJOR MILITARY FACTOR IN SOUTHEAST ASIA AFTER THE CONCLUSION OF THE WAR IN VIETNAM.

DEVELOPMENTS WITHIN SOUTHEAST ASIAN COUNTRIES ARE STILL REFERRED TO AS "VITAL" TO THIS NATION'S INTERESTS, "VITAL" IMPLYING MORE OF A COMMITMENT THAN CAN BE DERIVED FROM A REASONABLE READING OF THE PRESIDENT'S NEW APPROACH.

IRONICALLY, IN SOME U.S. EMBASIES AN INCONSISTENCY IS NOT SEEN BETWEEN BUDGETARY REQUESTS FOR GREATLY INCREASED U.S. BILATERAL ASSISTANCE AND, HENCE, GREATER U.S. PARTICIPATION IN THE INDEGENOUS SITUATION, ON THE ONE HAND, AND THE ADMINISTRATION'S NEW DOCTRINE ON THE OTHER.

IN SHORT, THERE IS NO INDICATION, AS YET, OF WHEN OR HOW THE SIZE OF THE U.S. PRESENCE IN ASIA IS TO BE REDUCED IN ANY SIGNIFICANT DEGREE.

IT IS A FACT THAT THE ONLY REDUCTIONS CONTEMPLATED AT THE TIME OF MY VISIT WERE THOSE WHICH MIGHT RESULT FROM A CONTINUANCE OF PERIODIC BLANKET PERCENTAGE CUTS IN PERSONNEL.

THESE CUTS WERE BEGUN MORE THAN A YEAR AGO, NOT AS A MATTER OF POLICY SO MUCH AS A MEASURE OF ECONOMY AND AS A PALLIATIVE FOR BALANCE-OF-PAYMENTS CONCERNS.

IT WOULD APPEAR, THEREFORE, THAT THE FIRST ORDER OF BUSINESS UNDER THE NEW DOCTRINE IS TO SEE TO IT THAT THE PRESIDENT'S NEW CONCEPTS ARE REITERATED AND THOROUGHLY EXPLAINED THROUGHOUT THE U.S. DEPARTMENTS AND AGENCIES CONCERNED AND THAT THEY ARE DISSEMINATED AMONG ALL U.S. OFFICIALS IN SOUTHEAST ASIA.

IT WOULD APPEAR, TOO, THAT DIRECTIVES WHICH ARE BOTH CLEAR AND FIRM WILL HAVE TO EMANATE FROM WASHINGTON IF THESE CONCEPTS ARE TO BE APPLIED EFFECTIVELY AND WITH NECESSARY DISPATCH BY U.S. MISSIONS IN SOUTHEAST ASIA.

IV. THE NEW DOCTRINE AND SOUTHEAST ASIAN COUNTRIES.

A. THE PHILIPPINES.

SINCE THE ESTABLISHMENT OF THE REPUBLIC OF THE PHILIPPINES IN 1946, THE INTERACTION OF POLICY BETWEEN THAT NATION AND THE UNITED STATES HAS BEEN DEEPLY INFLUENCED BY A "SPECIAL RELATIONSHIP", A PHRASE WHICH IS SUBJECT TO TWO INTERPRETATIONS. ON THE ONE HAND, IT CONNOTES THE EMOTIONAL INTERPLAY BETWEEN

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THE TWO COUNTRIES WHICH STRETCHES BACK OVER MORE THAN HALF A CENTURY.

THIS "SPECIAL RELATIONSHIP" BEGAN, IN FACT, WITH A DEGREE OF HOSTILITY IN THE CONFLICT OVER THE ANNEXATION OF THE PHILIPPINES BY THE UNITED STATES.

GRADUALLY, HOWEVER, THE RELATIONSHIP DEVELOPED MUTUAL TRUST, AND IT WAS FINALLY WELDED BY THE SHARED DANGERS, HORRORS, AND TRIUMPHS OF WORLD WAR II, AND THE U.S. PLEDGE OF INDEPENDENCE TO THE PHILIPPINES, INTO A STRONG AND SYMPATHETIC MUTUAL ATTACHMENT.

"SPECIAL RELATIONSHIP" ALSO REFERS TO A CARRYOVER OF CONCESSIONS IN TRADE AND COMMERCE AND THE PREFERENTIAL TREATMENT OF U.S. NATIONALS IN THE PHILIPPINES FROM THE PRE-INDEPENDENCE PERIOD.

IN THE SAME VEIN, THE TERM ALSO DESCRIBES THE VESTED MILITARY PRIVILEGES WHICH ARE ENJOYED BY THE ARMED FORCES OF THE UNITED STATES IN THE PHILIPPINES.

THESE PRIVILEGES WERE ASSUMED DURING THE PERIOD OF U.S. RULE OF THE PHILIPPINES, AND THEY HAVE BEEN EXTENDED, WITH SOME MODIFICATIONS, UNDER THE LEASE ARRANGEMENTS BY WHICH THE UNITED STATES CONTINUES TO OCCUPY A GREAT MILITARY BASE COMPLEX IN THE PHILIPPINES.

IT IS PERHAPS NOT GENERALLY REALIZED THAT THERE ARE ABOUT 30,000 U.S. MILITARY PERSONNEL IN THE PHILIPPINES, THE U.S. DEPARTMENT OF DEFENCE BEING THE SECOND LARGEST EMPLOYER IN THE PHILIPPINES, COMING ONLY AFTER THE PHILIPPINE GOVERNMENT ITSELF.

THE CLARK FIELD LEASE, WHICH COVERS OVER 132,000 ACRES, AND THE SUBIC BAY INSTALLATION ARE AMONG THE LARGEST U.S. MILITARY HOLDINGS ANYWHERE IN THE WORLD.

LAST YEAR, U.S. GOVERNMENT SPENDING IN THE PHILIPPINES AMOUNTED TO ABOUT DOLLARS 270 MILLION, OVER HALF OF WHICH WAS FOR OUTLAYS IN CONNECTION WITH THE MILITARY BASES.

WITH REGARD TO SPECIAL ECONOMIC RIGHTS, U.S. INVESTORS ARE THE ONLY FOREIGNERS IN THE PHILIPPINES PRESENTLY PERMITTED TO OWN A CONTROLLING SHARE OF COMPANIES ENGAGED IN THE EXPLOITATION OF NATURAL RESOURCES AND IN THE OPERATION OF PUBLIC UTILITIES.

IN ADDITION, THE LAUREL-LANGLEY AGREEMENT OF 1955 WHICH AMENDED THE TRADE AGREEMENT OF 1946 PROVIDES PREFERENTIAL TARIFF TREATMENT ON TRADE BETWEEN THE TWO NATIONS AND, OF SPECIAL BENEFIT TO PHILIPPINE COMMERCE, GUARANTEED ACCESS WITHIN A QUOTA TO U.S. MARKETS FOR SUGAR AND CORDAGE AS WELL AS DUTY-FREE QUOTAS ON CERTAIN OTHER PRODUCTS.

THE CLOSE INTEGRATION OF THE PHILIPPINE ECONOMY WITH THAT OF THE UNITED STATES NOW SHOWS SIGNS OF DIVERSIFICATION.

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JAPANESE AND EUROPEANS, FOR EXAMPLE, HAVE COME TO ASSUME AN INCREASINGLY IMPORTANT ROLE IN PHILIPPINE TRADE.

IN FACT, JAPAN HAS NOW BECOME THE CHIEF SUPPLIER OF PHILIPPINE IMPORTS.

THERE ARE ALSO SOME INITIAL EXPLORATIONS BEING MADE WITH REGARD TO THE POSSIBILITIES OF TRADE WITH COMMUNIST NATIONS, ALTHOUGH PHILIPPINE RELATIONS WITH THESE COUNTRIES ARE STILL FAR MORE CIRCUMSCRIBED THAN OUR OWN.

LAST YEAR, THE PHILIPPINE GROSS NATIONAL PRODUCT ROSE 6.3 PERCENT AND THE COUNTRY, EMPLOYING THE NEW MIRACLE STRAINS, BECAME SELF-SUFFICIENT IN RICE FOR THE FIRST TIME IN MEMORY.

AT THE SAME TIME, HOWEVER, THE PHILIPPINES HAD A DOLLARS 300 MILLION DEFICIT IN INTERNATIONAL TRADE INCURRED IN CONSIDERABLE MEASURE BECAUSE OF THE IMPORT OF CAPITAL GOODS FOR THE DEVELOPING ECONOMY.

THE DEFICIT FIGURE UNDERSCORES THE COMPENSATORY SIGNIFICANCE OF BOTH U.S. BASE EXPENDITURES AND TRADE PREFERENCES IN THE PRESENT ECONOMY OF THE PHILIPPINES.

THE CARRYOVER OF ECONOMIC PRIVILEGES HAS COME UNDER PRESS ATTACK IN THE PHILIPPINES IN CONNECTION WITH PRELIMINARY SCRUTINY OF THE LAUREL-LANGLEY AGREEMENT WHICH IS DUE TO EXPIRE IN 1974.

PRESIDENT NEXON'S NEW DOCTRINE WOULD SEEM TO CALL FOR A READINESS ON THE PART OF THIS NATION TO MAKE ADJUSTMENTS IN THIS AGREEMENT.

THERE WILL BE DIFFICULTIES IN THIS CONNECTION, TO BE SURE, BUT THERE OUGHT NOT TO BE INSURMOUNTABLE DIFFICULTIES.

AS I TRIED TO SPECIFY IN MY REPORT TO THE PRESIDENT, THE SHOCK OF CHANGE CAN BE MINIMIZED IF THERE IS RESTRAINT AND UNDERSTANDING ON BOTH SIDES.

THE ADMINISTRATION'S NEW DOCTRINE WOULD ALSO SEEM TO IMPLY A FORTHCOMING ATTITUDE WITH REGARD TO THE MILITARY BASE ISSUES. AS NATIONS WHOSE FUTURES ARE INTERWOVEN WITH THE PEACE OF THE PACIFIC, THE PHILIPPINES AND THE UNITED STATES HAVE A COMMON INTEREST IN COOPERATING CLOSELY IN THE FIELD OF DEFENSE.

IN THAT SENSE, THE U.S. BASES IN THE PHILIPPINES ARE OF GREAT SIGNIFICANCE TO BOTH NATIONS.

IN THE END, HOWEVER, THE VALUE OF THE BASES IS DEPENDENT NOT ONLY ON OUR WILLINGNESS TO SUPPORT THEM BUT ALSO ON PHILIPPINE ACCEPTANCE OF THE ARRANGEMENTS WHICH GOVERN THEIR USAGE.

IN THAT CONNECTION, IT IS IMPORTANT TO BEAR IN MIND THAT, WITH THE PHILIPPINES NO LONGER AN ISLAND POSSESSION OF THE

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UNITED STATES, WHAT TRANSPIRES ON AND AROUND THE BASES IS BOUND TO BE OF DIRECT AND DEEP CONCERN TO ANY PHILIPPINE GOVERNMENT.

IN MY JUDGMENT, THE CONTINUED EFFECTIVENESS OF THE BASIS REQUIRES AN ALERTNESS TO NATIONAL SENSITIVITIES, A SCRUPULOUS RESPECT FOR PHILIPPINE SOVEREIGNTY, AND CLOSE COLLABORATION BETWEEN THE TWO GOVERNMENTS ON ALL MATTERS PERTAINING TO THE USAGE OF THE BASES.

IN THAT FASHION, THE SCOPE AND DESIGN OF OUR MILITARY PRESENCE IN THE PHILIPPINES CAN BE MADE TO REFLECT NOT ONLY OUR MILITARY NEEDS BUT, EQUALLY, THE WISHES OF THE PHILIPPINE PEOPLE.

WHEN PRESIDENT NIXON ARRIVED IN MANILA, HE SAID -

I HOPE THAT WE CAN INITIATE A NEW ERA IN PHILIPPINE-AMERICAN RELATIONS, NOT RETURNING TO THE OLD SPECIAL RELATIONSHIPS, BECAUSE THE WINDS OF CHANGE HAVE SWEEPED AWAY THOSE FACTORS, BUT BUILDING A NEW RELATIONSHIP, A NEW RELATIONSHIP WHICH WILL BE BASED ON MUTUAL TRUST, ON MUTUAL RESPECT, ON MUTUAL CONFIDENCE, ON MUTUAL COOPERATION.

AS HE LEFT MANILA, HE SAID -

WE HAVE A SPECIAL RELATIONSHIP WITH THE PHILIPPINES WHICH WILL ALWAYS BE IN OUR HEARTS.

THE PRESIDENT'S REMARKS UNDERSCORE THE DUAL SIGNIFICANCE OF THE PHRASE "SPECIAL RELATIONSHIP".

TO RECAST ALL THAT THESE TWO WORDS HAVE COME TO IMPLY INTO ON MUTUALLY ACCEPTABLE MEANING WILL TEST THE SAGACITY OF THE POLICIES AND THE DIPLOMACY OF BOTH NATIONS IN THE PERIOD OF TRANSITION WHICH LIES AHEAD.

B. INDONESIA.

INDONESIA WAS CAUGHT FOR MANY YEARS IN THE CROSSFIRE OF OVERSTIMULATED AND OVERSTIMULATING POLITICS, THE DEMANDS OF A LARGE MILITARY ESTABLISHMENT, AND THE INEVITABLE DISLOCATIONS OF TRANSITION FROM COLONIALISM TO INDEPENDENCE.

THE CONSEQUENT ECONOMIC DETERIORATION EXPRESSED ITSELF IN A RUNAWAY INFLATION, A NEGLECT OF AGRICULTURE, AND A DECLINE IN EXCHANGE EARNINGS WHICH IN FORMER TIMES WERE DERIVED LARGELY FROM THE EXPORT OF AGRICULTURAL COMMODITIES AND CRUDE RAW MATERIALS.

THE DETERIORATION NOW APPEARS TO BE CHECKED IN THE AFTERMATH OF A MILITARY SEIZURE OF POWER.

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AT THE SAME TIME, THERE HAS BEEN A SHIFT IN INDONESIAN FOREIGN POLICY, FROM DEPENDENCY ON COMMUNIST NATIONS FOR ASSISTANCE.

IN THE PAST 2 YEARS, NON-COMMUNIST NATIONS HAVE PROVIDED SUBSTANTIAL AMOUNTS OF AID AND AN INCREASING FLOW OF PRIVATE INVESTMENT.

THE PRESENT GOVERNMENT OF MILITARY LEADERS, ECONOMISTS, AND CIVILIAN BUREAUCRATS SEES THE PRINCIPAL PROBLEM OF THE NATION TO BE ITS RAPID ECONOMIC DEVELOPMENT.

UNDER THE LEADERSHIP OF GENERAL SUHARTO, A PATIENT, MODEST, AND DETERMINED MAN, TWO 5-YEAR PLANS HAVE BEEN DELINEATED.

THE FIRST PLAN WHICH EMPHASIZES AGRICULTURE WENT INTO EFFECT AS OF APRIL 1969.

IN THE SECOND 5-YEAR PLAN, THE EMPHASIS WILL SHIFT TO INDUSTRIAL DEVELOPMENT.

SIGNIFICANT ECONOMIC RESULTS HAVE ALREADY BEEN ACHIEVED.

THE RATE OF INFLATION WAS 635 PERCENT 3 YEARS AGO.

THIS YEAR IT IS EXPECTED THAT THE FIGURE CAN BE HELD TO ABOUT 25 PERCENT.

THERE HAS BEEN, AS NOTED, AN INFLUX OF PRIVATE FOREIGN CAPITAL, WITH A TOTAL OF ABOUT DOLLARS 560 MILLION IN INVESTMENTS ALREADY APPROVED BY THE GOVERNMENT.

THIS TOTAL, WHICH EXCLUDES BANKING AND OIL, IS EXPECTED TO RISE IN THE NEXT FEW YEARS TO DOLLARS 1 BILLION.

OF THE TOTAL APPROVED, U.S. INVESTORS WILL PROVIDE DOLLARS 193 MILLION.

LAST YEAR ALONE, U.S. INVESTMENT WAS DOLLARS 50 MILLION, AGAIN WITH THE EXCEPTION OF INVESTMENTS IN BANKING AND OIL.

THE FOREIGN INVESTMENT IN OIL WAS ABOUT DOLLARS 68 MILLION.

THE FIRST 5-YEAR DEVELOPMENT PLAN IS DEPENDENT ON AN AVERAGE OF DOLLARS 600 MILLION A YEAR IN FOREIGN LOANS AND CREDITS.

THIS SUM WILL BE DISBURSED THROUGH THE INTER-GOVERNMENTAL GROUP FOR INDONESIA, A CONSORTIUM WHICH CONSISTS OF THE INTERNATIONAL BANK, THE INTERNATIONAL MONETARY FUND, JAPAN, WESTERN EUROPEAN AND MISCELLANEOUS CONTRIBUTORS, AND THE UNITED STATES.

THIS NATION HAS BEEN COMMITTED TO PROVIDE ONE-THIRD OR DOLLARS 200 MILLION OF THE ANNUAL REQUIREMENT THIRD FROM THE WESTERN EUROPEANS, AUSTRALIANS, AND MINOR SOURCES.

THE LOANS WILL BE USED UNDER THE 5-YEAR PLAN TO REHABILITATE EXISTING PRODUCTIVE FACILITIES AND TO INITIATE NEW PROJECTS.

ACCORDING TO ADVICE I RECEIVED, THE LOANS WILL NOT BE USED TO REPAY OLD FOREIGN DEBTS WHICH, WITH THE NEW LIABILITIES THAT ARE BEING ASSUMED, WILL SOON BRING INDONESIA'S TOTAL FOREIGN INDEBTEDNESS TO DOLLARS 3.5 BILLION.

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OVER DOLLARS 1 BILLION OF THE ABOVE TOTAL ISOWED TO THE SOVIET UNION AND OTHER COMMUNIST COUNTRIES.

THE INDICATIONS ARE THAT THE PRESENT TERMS OF REPAYMENT CANNOT BE MET AND SOME SORT OF NEW REPAYMENT SCHEDULE WILL HAVE TO BE DEvised.

SINCE THE COUP D'ETAT, HOWEVER, RELATIONS WITH CHINA AND, UNTIL RECENTLY, WITH THE SOVIET UNION HAVE BEEN DISTANT.

IN ADDITION TO PROVIDING ONE-THIRD OF THE LOANS THROUGH THE CONSORTIUM, THE UNITED STATES HAS AGREED TO PROVIDE A "FAIR SHARE" OF FOOD AID TO INDONESIA.

THIS NATION HAS ALREADY IN OPERATION A MILITARY ASSISTANCE PROGRAM WHICH RUNS TO ABOUT DOLLARS 6 MILLION A YEAR.

PRESENTLY, NO LETHAL MILITARY EQUIPMENT IS INVOLVED IN THE PROGRAM, WHICH IS ADMINISTERED NOT BY A MILITARY ASSISTANCE ADVISORY GROUP, BUT BY A 13-MAN U.S. DEFENSE LIAISON GROUP.

NEVERTHELESS, THE PROGRAM DOES HAVE SOME CHARACTERISTICS OF A MAAG OPERATION IN THAT IT INVOLVES TRAINING INDONESIAN OFFICERS AND SUPPORT OF THE ARMY'S CIVIC ACTION AND ECONOMIC REHABILITATION ACTIVITIES.

THE U.S. AGREEMENT TO PROVIDE LOANS FOR THE 5-YEAR DEVELOPMENT PLAN INVOLVES RISKS, OF COURSE, BUT THE RISKS ARE SHARED SINCE THE LOANS ARE PART OF A MULTILATERAL FUND TO BE CHanneLED THROUGH THE CONSORTIUM.

IN THAT SENSE, THIS PARTICULAR AGREEMENT WOULD APPEAR TO BE IN ACCORD WITH THE PRESIDENT'S NEW APPROACH.

WHEN THAT IS SAID, HOWEVER, IT SHOULD ALSO BE POINTED OUT THAT THERE HAS BEEN A TENDENCY FOR OUR INVOLVEMENT IN INDONESIA TO GROW IN A MATHERMATICAL PROGRESSION.

IN FISCAL YEAR 1966, FOR EXAMPLE, ALL FORMS OF U.S. ECONOMIC ASSISTANCE TO INDONESIA TOTALED ABOUT DOLLARS 20 MILLION., IN 1967, DOLLARS 59 MILLION.

BY 1958 THE FIGURE WAS DOLLARS 103 MILLION AND IN FISCAL YEAR 1969, DOLLARS 255 MILLION.

THE OVERALL TREND OF U.S. PARTICIPATION IN THE INDONESIAN SITUATION, IN SHORT, HAS BEEN UPWARD, WITH THE BILATERAL ELEMENT IN OUR POLICIES ALSO ON THE INCREASE.

PART OF THIS INCREASE IS EXPLICABLE IN TERMS OF PUBLIC LAW 480 FOOD AID.

IT WOULD SEEM TO ME THAT WHAT HAS BEEN DESCRIBED AS OUR "FAIR SHARE" TVB GIDMEUIS SOMEWHAT OUT OF PROPORTION.

IN 1969, THE UNITED STATES WILL PROVIDE DOLLARS 83.8 MILLION

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OF A TOTAL OF DOLLARS 135 MILLION.

IT SHOULD BE NOTED THAT, UNDER PRESENT BILATERAL ARRANGEMENTS, EVEN FOOD AID TENDS TO EDGE US, BILATERALLY, INTO THE INTERNAL AFFAIRS OF OTHER COUNTRIES.

MOREOVER, WHATEVER THE BENEFICIAL EFFECT IN ONE NATION, THIS AID CAN HAVE ADVERSE CONSEQUENCES IN OTHERS.

THIS ASSISTANCE, TO A GREATER OR LESSER DEGREE, DOES COMPETE WITH THE COMMERCIAL EXPORTS OF FOOD-SURPLUS NATIONS, NOTWITHSTANDING EFFORTS TO AVOID DISTURBING EXISTING CHANNELS OF TRADE.

THAT IS NOT TO SAY THAT THE USE OF FOOD AS AID SHOULD BE FROWNED UPON IN INDONESIA OR ELSEWHERE.

RATHER, IT SUGGESTS THAT IN THIS FORM OF ASSISTANCE AS IN OTHERS, A MULTILATERAL APPROACH IN WHICH ATTENTION CAN BE APID TO A WIDE RANGE OF CONSIDERATIONS MAY HELP TO MINIMIZE THE ADVERSE CONSEQUENCES OF THIS OTHERWISE WELL INTENTIONED PROGRAM.

IN A MORE GENERAL SENSE, IT WOULD SEEM THAT THERE IS ALSO A NEED FOR OTHER NATIONS TO ASSUME A LARGER ROLE IN ASSISTING INDONESIA.

IN THIS CONNECTION, IT IS INEVITABLE THAT JAPAN BE CONSIDERED AS A PRINCIPAL SOURCE NOT ONLY BECAUSE IT IS IN A PERIOD OF GREAT ECONOMIC DYNAMISM, BUT ALSO BECAUSE OF ITS REGIONAL PROXIMITY AND THE COMPLEMENTARINESS OF ITS ECONOMY WITH THAT OF INDONESIA.

TO BE SURE, JAPAN DOES PLAY A MAJOR ROLE IN THE LOAN CONSORTIUM.

MOREOVER, JAPANESE REPARATIONS PAYMENTS WHICH ARE NOW BEING COMPLETED HAVE ALSO BEEN A POSITIVE FACTOR IN THE INDONESIAN ECONOMIC SITUATION IN RECENT YEARS.

HOWEVER, IT MUST BE STATED IN ALL FRANKNESS THAT THERE IS SOME INCLINATION TO REGARD AS HARSH JAPANESE TERMS OF TRADE AND INVESTMENT.

FURTHERMORE, THE TENDENCY OF THIS INVESTMENT TO CONCENTRATE IN EXTRACTIVE INDUSTRIES IS SEEN IN SOME QUARTERS AS MAKING AN INSUFFICIENT CONTRIBUTION TO THE DEVELOPMENT OF A DIVERSIFIED INDUSTRIAL ECONOMY.

FINALLY, THERE IS ENCOUNTERED SOME UNCERTAINTY OVER THE IMPLICATIONS OF THE ENORMOUS AND GROWING GAP WHICH EXISTS

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BETWEEN THE HIGHLY SOPHISTICATED JAPANESE ECONOMY AND THE LEVEL OF ECONOMIC DEVELOPMENT NOT ONLY IN INDONESIA BUT ELSEWHERE IN SOUTHEAST ASIA.

UNLESS SET TO REST, THESE VARIOUS CONCERNS DO NOT AUGUR WELL FOR PLANS FOR COOPERATIVE REGIONAL DEVELOPMENT.

SUCH PLANS ARE INVARIABLY PREDICATED UPON AND, INDEED, WOULD APPEAR TO REQUIRE A VIGOROUS JAPANESE PARTICIPATION IF THEY ARE TO BE SUCCESSFUL.

C. BURMA.

THE BURMESE GOVERNMENT CONTINUES TO GO ITS OWN WAY AS IT HAS FOR MANY YEARS.

IT IS NEITHER OVERAWED BY THE PROXIMITY OF POWERFUL NEIGHBORS NOR OVERIMPRESSED BY THE VIRTUES OF RAPID DEVELOPMENT THROUGH LARGE INFUSIONS OF FOREIGN AID.

BURMA'S PRIMARY CONCERN IS THE RETENTION OF ITS NATIONAL AND CULTURAL IDENTITY AND THE DEVELOPMENT OF AN ECONOMIC SYSTEM PREPONDERANTLY BY ITS OWN EFFORTS AND ALONG ITS OWN LINES.

THIS ALMOST PASSIONATE EMPHASIS ON "BURMANIZATION" AND THE "BURMESE WAY TO SOCIALISM" CAN BEST BE UNDERSTOOD AGAINST THE BACKGROUND FROM WHICH CONTEMPORARY BURMA EMERGED.

UNDER THE PREVIOUS COLONIAL STATUS, CONTROL OF THE MACHINERY OF THE ECONOMY WAS DIVIDED LARGELY AMONG BRITISH, CHINESE, AND INDIANS.

FREE ENTERPRISE IN BURMA MEANT, LARGELY, FOREIGN ENTERPRISE. FOR THE MOST PART, BURMESE NATIONALS WERE, IN EFFECT, BYSTANDERS AND SUBORDINATES IN THE DEVELOPMENT OF THEIR OWN COUNTRY.

WITH THE EXCEPTION OF AGRICULTURE, THE ECONOMY OF BURMA IS PRESENTLY CLOSELY MANAGED BY THE STATE.

ALL ECONOMIC ACTIVITY HAS BEEN NATIONALIZED, EXCEPT FARMING AND THE OPERATION OF SOME BUSLINES, TAXIS, RESTAURANTS, AND SMALL INDUSTRIAL ENTERPRISES.

BUT TO REITERATE, WHERE THE STATE NOW EXERCISES AUTHORITY IN THE ECONOMY, IT HAS REPLACED NOT SO MUCH BURMESE PRIVATE

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ENTERPRISE AS A FORMER ALIAN DOMINANCE.

WHILE CURBING FOREIGN ECONOMIC POWER, THE BURMESE GOVERNMENT HAS ALSO SOUGHT TO INSULATE THE COUNTRY FROM THE CONFLICTS OF THE GREAT POWERS.

THIS POLICY HAS INVOLVED MANINTAINING A PROPER NEUTRALITY AND RATHER RESERVED DIPLOMATIC RELATIONS WITH ALL STATES.

THE APPROACH HAS BEEN APPLIED NOT ONLY TO THE UNITED STATES BUT ALSO TO CHINA, THE SOVIET UNION, AND OTHER NATIONS.

IT WOULD BE ERRONEOUS, IN MY JUDGMENT, TO VIEW THE BURMESE ATTITUDE IN THIS RESPECT AS AN INDICATION OF HOSTILITY TO ANY NATION.

RATHER, IT ARISES FROM A CONCERN LEST FOREIGN INFLUENCE OVERWHELM BURMESE CULTURE OR OTHERWISE BECOME A DISRUPTING FACTOR IN THE NATION'S AFFAIRS.

IN VIEW OF WHAT HAS TRANSPIRED ELSEWHERE IN SOUTHEAST ASIA, IT CANNOT BE SAID THAT THE CONCERN IS WITHOUT FOUNDATION.

MOREOVER, THE BURMESE INTERNAL SITUATION IS STILL VULNERABLE TO FOREIGN POWER INTRUSION.

IN THE FIRST PLACE, THERE ARE EXTREME POLITICAL AND PERSONAL CONFLICTS AMONG BURMESE NATIONALISTS WHICH HAVE BEEN THROTTLED RATHER THAN MODULATED.

SOME ARMED INSURGENCY CONTINUES IN BORDER AREAS INHABITED PRINCIPALLY BY ETHNIC NON-BURMESE.

SMALL ARMED COMMUNIST FACTIONS ARE ACTIVE, AS THEY HAVE BEEN FOR DECADES.

THE BURMESE GOVERNMENT DOES NOT APPEAR OVERLY DISTURBED BY THE POSSIBILITY OF AGGRESSION FROM CHINA.

THE BURMESE ECONOMY HAS HAD DIFFICULTIES, NOTABLY WITH THE EXPORT OF THE RICE SURPLUS, THE PRINCIPAL SOURCE OF FOREIGN EXCHANGE EARNINGS.

AS ALREADY INDICATED, THESE DIFFICULTIES ARE NOT UNRELATED TO U.S. FOOD-AID DISTRIBUTIONS TO INDONESIA AND OTHER NATIONS IN ASIA.

ON THE OTHER HAND, THERE IS STILL A RESIDUAL FLOW OF U.S. AID TO BURMA.

IT INVOLVES, AS IT HAS FOR SEVERAL YEARS, THE FINAL UTILIZATION

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OF U.S. FUNDS WHICH WERE APPROPRIATED A LONG TIME AGO FOR COLLEGE BUILDINGS IN RANGOON, A WATER AND SEWERAGE SYSTEM, AND A LARGE TEAK MILL.

BURMA HAS ALSO RECEIVED SOME MILITARY EQUIPMENT FROM THE UNITED STATES UNDER A SALES ARRANGEMENT NEGOTIATED IN 1958 AT THE REQUEST OF THE BURMESE GOVERNMENT AND SUBSEQUENTLY EXTENDED IN 1961.

THE AGREEMENT ENABLES BURMA TO BUY AT GREATLY REDUCED PRICES, AND IT ALSO INVOLVES SOME TRAINING OF BURMESE MILITARY PERSONNEL BY MOBILE TRAINING TEAMS FROM THE UNITED STATES.

THE PROGRAM, WHICH IS SUPERVISED BY A U.S. MILITARY EQUIPMENT DELIVERY TEAM, HAS ONLY 2 MORE YEARS TO RUN.

WHILE NO PARTICULAR INTEREST HAS BEEN INDICATED IN ITS SHOWS NO SIGN OF CONTRACTION.

ALMOST HALF OF ALL OFFICIAL U.S. PERSONNEL IN BURMA (91 EMPLOYEES) ARE WITH THE MILITARY EQUIPMENT DELIVERY TEAM OR THE OFFICE OF THE DEFENSE ATTACHE.

UNDER THE PRESIDENT'S NEW DOCTRINE, IT SEEMS TO ME THAT THE CLOTH OF OUR POLICY SHOULD BE CUT MORE PRECISELY TO FIT THE BURMESE PATTERN.

ADMITTEDLY, THE ADJUSTMENT WILL NOT BE EASY.

IN ONE IMPORTANT SENSE, FOR EXAMPLE, PRESENT BURMESE ATTITUDES DO NOT DEVETAIL WITH THE NEW DOCTRINE.

THE BURMESE GOVERNMENT IS NOT GENERALLY DISPOSED TO FAVOR REGIONAL ECONOMIC ORGANIZATIONS, AS THEY HAVE SO FAR EVOLVED.

THE ASIAN DEVELOPMENT BANK, FOR EXAMPLE, IS REGARDED ESSENTIALLY AS A NON-ASIAN INSTITUTION BECAUSE OF THE HEAVY ROLE OF COUNTRIES FROM OUTSIDE THE REGION.

THE BANK IS ALSO SEEN NOT AS A UNIFYING FACTOR BUT, POSSIBLY, AS A DIVISIVE ELEMENT.

FROM THE BURMESE POINT OF VIEW, THE BANK'S RESOURCES ARE SO LIMITED THAT THERE IS BOUND TO BE SEVERE COMPETITION AMONG THE SMALL ASIAN NATIONS FOR A SHARE OF THE BANK'S FAVOR.

IN OTHER RESPECTS, HOWEVER, ATTITUDES WOULD APPEAR TO BE VERY MUCH IN HARMONY WITH THE NEW DOCTRINE.

THE WISH TO REMAIN OUTSIDE OF GREAT POWER CONFLICTS,

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FOR EXAMPLE, SHOULD NOT ONLY BE RESPECTED, BUT SHOULD BE SUSTAINED BY OUR PRACTICES.

IT WOULD SEEM TO ME THEREFORE, THAT IN THE ABSENCE OF INDICATIONS TO THE CONTRARY, THE VESTIGES OF THE ECONOMIC AID PROGRAM WHICH HAVE BEEN AN INORDINATE TIME IN LIQUIDATION, SHOULD BE TERMINATED WITHOUT FURTHER DELAY AND IN A MANNER WHICH ACCORDS WITH THE WISHES OF THE BURMESE GOVERNMENT.

THE TERMINATION OF THE MILITARY SALES PROGRAM, TOO, SHOULD BE ANTICIPATED AND, IN PREPARATION THEREFORE, A COMMENSURATE REDUCTION IN OUR OFFICIAL MILITARY REPRESENTATION SHOULD BEGIN TO BE MADE NOW.

THESE CHANGES WOULD NOT PRECLUDE IN ANY WAY AN INCREASE IN DIRECT CONTACT OF RECIPROCAL BENEFIT BETWEEN BURMA AND THE UNITED STATES IN OTHER FIELDS.

IT SHOULD BE NOTED, IN THIS CONNECTION, THAT SOME MODEST STEPS HAVE BEEN TAKEN BY THE BURMESE GOVERNMENT TO ENCOURAGE FOREIGN TOURISM, A MOST WELCOME INITIATIVE.

OTHER EXCHANGES OF A PEACEFUL NATURE IN MANY FIELDS WOULD BE IN ORDER.

WE SHOULD, IT SEEMS TO ME, BE READY TO GIVE ENCOURAGEMENT TO ALL FORMS OF MUTUALLY BENEFICIAL CULTURAL CONTACTS WITH BURMA.

TO THE DEGREE THAT IT IS DESIRED WE SHOULD WORK WITH THE BURMESE GOVERNMENT TO STIMULATE NOT ONLY TOURISM BUT TRADE, EDUCATIONAL, PROFESSIONAL, AND TECHNICAL COLLABORATION BETWEEN THE PEOPLES OF THE TWO COUNTRIES.

D. CAMBODIA.

AFTER A 4-YEAR INTERRUPTION, RELATIONS WERE REESTABLISHED BETWEEN CAMBODIA AND THE UNITED STATES IN JULY, FOLLOWING A U.S. DECLARATION RECOGNIZING AND RESPECTING CAMBODIA'S FRONTIERS.

THIS DECLARATION WAS, IN EFFECT, A PRELIMINARY TO DEALING THROUGH DIPLOMATIC PROCESSES WITH ISSUES WHICH HAVE ARISEN FROM THE WAR IN VIETNAM TO DISTORT AND DISTURB THE CAMBODIAN-UNITED STATES RELATIONSHIP FOR MANY YEARS.

THERE ARE, FOR EXAMPLE, ON THE ONE HAND, THE AIR FORAYS FROM SOUTH VIETNAM INTO CAMBODIA WHICH HAVE RESULTED IN THE LOSS OF THE LIVES OF CAMBODIAN MEN, WOMEN, AND CHILDREN AS WELL AS PROPERTY DAMAGE.

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ON THE OTHER HAND, THERE HAS BEEN THE CONCERN OF THE U.S. COMMAND IN SAIGON THAT CAMBODIAN TERRITORY WAS SERVING AS A HAVEN FOR THE ENEMY AND, HENCE, CONTRIBUTING TO THE LOSSES AND THE DIFFICULTIES OF U.S. FORCES IN SOUTH VIETNAM.

REGRETTABLY, BOTH CHARGE AND COUNTERCHARGE HAVE HAD VALIDITY.

IT IS A FACT THAT BORDER AREAS WHICH ARE DIFFICULT OF ACCESS EVEN FROM WITHIN CAMBODIA HAVE BEEN USED BY ENEMY FORCES, CERTAINLY FOR THE CARE OF SICK AND WOUNDED AND FOR THE INFILTRATION OF MEN AND SUPPLIES.

THIS USAGE HAS OCCURRED NOTWITHSTANDING CAMBODIA'S INTENSE DESIRE TO CLOSE ITS TERRITORIES FOR THIS OR ANY RELATED PURPOSE TO ALL ALIEN ELEMENTS.

INDEED, THE RECENT SURFACING OF SMALL SO-CALLED RED KHMER UNITS WHICH ARE SUSTAINED BY OUTSIDE SUPPORT AND, FAR MORE SERIOUS, THE INCREASING APPEARANCE OF ARMED NORTH VIETNAMESE AND VIETCONG ON CAMBODIAN SOIL IS OF GREAT CONCERN TO THE CAMBODIAN GOVERNMENT.

NEVERTHELESS, WITH ONE OF THE SMALLEST ARMIES IN SOUTHEAST ASIA AND WITH EXTENSIVE BORDERS THERE IS LITTLE THAT CAMBODIA CAN DO TO PREVENT INCURSIONS.

WHILE THE WAR GOES ON, THEREFORE, THE DANGER IS ACUTE OF AN EVER INCREASING VIETNAMESE SPILLOVER, WHETHER FOR ASYLUM FROM THE CONFLICT OR FOR OTHER PURPOSES.

EVEN REMOVAL OF VIETNAMESE ARMED BANDS AND STRAGGLERS ALREADY IN CAMBODIA WILL PRESENT SERIOUS DIFFICULTIES AT THE END OF THE WAR.

IN THE CIRCUMSTANCES, THE KEYSTONE OF CAMBODIAN POLICY IS THE ACHIEVEMENT OF THE FIRMEST POSSIBLE INTERNATIONAL GUARANTEES OF THE INTEGRITY AND SECURITY OF ITS FRONTIERS BY THE TIME PEACE IS RESTORED.

TO THAT END, THE CAMBODIAN GOVERNMENT HAS SOUGHT, AND ALREADY OBTAINED, ASSURANCES OF THE RECOGNITION OF ITS EXISTING BORDERS FROM THE SOVIET UNION, THE UNITED STATES, CHINA, FRANCE, THE UNITED KINGDOM, AND MANY OTHER NATIONS.

PHNOM PENH HAS ALSO RECEIVED SIMILAR ACKNOWLEDGEMENTS OF ITS BORDERS FROM BOTH NORTH VIETNAM AND THE PROVISIONAL REVOLUTIONARY GOVERNMENT IN SOUTH VIETNAM AND, IN TURN, HAS ESTABLISHED RELATIONS WITH THEM.

HOWEVER, IT HAS NEVER BEEN ABLE TO OBTAIN SUCH ASSURANCE FROM ANY OF THE CHAIN OF GOVERNMENTS IN SAIGON BEGINNING WITH THAT OF NGO DINH DIEM AND CONTINUING DOWN TO THE PRESENT.

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CAMBODIA NOW ENJOYS AN EFFECTIVE AND CLOSE RELATIONSHIP WITH FRANCE, THE FORMER COLONIAL POWER.

IT ALSO HAS GOOD AND ACTIVE RELATIONS WITH MANY EUROPEAN, ASIAN, AND OTHER COUNTRIES.

WITH THE SOVIET UNION, CAMBODIAN RELATIONS ARE PROPER AND, IN THE CASE OF CHINA, THEY ARE AGAIN MORE FRIENDLY AFTER A TEMPORARY LAPSE.

WITH THE UNITED STATES, CAMBODIA NOW SEEKS TO BUILD, IN MY JUDGMENT, A RELATIONSHIP OF MUTUAL RESPECT AND MUTUAL TOLERANCE.

NOTWITHSTANDING THE WAR IN VIETNAM, IT WOULD SEEM THAT THE PROSPECTS OF SUCH A RELATIONSHIP ARE ENHANCED BY THE PRESIDENT'S NEW APPROACH AND THE UNDERSTANDING WITH WHICH IT HAS BEEN RECEIVED BY PRINCE SIHANOUK.

IT SHOULD BE NOTED THAT THE PRINCE'S PERSONAL ROLE IN THE DIRECTION OF THE AFFAIRS OF HIS NATION HAS BEEN ENORMOUS.

THE PRINCE NOT ONLY LED CAMBODIA TO INDEPENDENCE, EVEN BEFORE THE 1954 GENEVA AGREEMENTS, BUT HIS LEADERSHIP HAS SERVED EVER SINCE TO PRESERVE CAMBODIA'S UNITY AND TO MOBILIZE ITS ENERGY IN THE BUILDING OF A PROGRESSIVE AND PEACEFUL STATE.

WHILE THERE HAS BEEN AID FROM MANY NATIONS, CAMBODIA'S PROGRESS IS LARGELY SELF-GENERATED.

NOTWITHSTANDING SEVERE PRESSURES, CAMBODIA HAS MANAGED TO AVOID MILITARY INVOLVEMENT IN THE SURROUNDING TURMOIL.

IT HAS BEEN ABLE, TOO, TO ABSORB IDEAS FROM MANY NATIONS WHICH HAVE ENHANCED RATHER THAN OBLITERATED THE FUNDAMENTAL CHARACTER AND QUALITY OF THE INDIGENOUS CULTURE.

THE UNITED STATES AND CAMBODIA ARE AT A THRESHOLD THAT OFFERS AN OPPORTUNITY TO MAKE A CLEAN BEGINNING.

FOR THE PAST FEW YEARS, CAMBODIA'S DIRECT CONTACT WITH U.S. NATIONALS WAS LIMITED ALMOST ENTIRELY TO TOURISTS INTENT UPON VISITING THE EXTRAORDINARY RUINS OF ANCIENT KHMER CIVILIZATION AT ANGKOR WAT.

AN OCCASIONAL OFFICIAL U.S. EMBASSY TRAVELLED TO CAMBODIA BUT THERE WERE NO REGULAR DIPLOMATIC RELATIONS, NO ECONOMIC AID PROGRAM, AND NO MILITARY ASSISTANCE PROGRAM.

AT THE TIME OF MY VISIT, THE REOPENED OFFICIAL U.S. ESTABLISHMENT IN CAMBODIA NUMBERED ONLY FOUR PERSONS, ABOUT THE NUMBER PRESENT AT THE TIME OF MY FIRST VISIT TO PHNOM PENH IN 1953.

THERE WILL BE ADDITIONS TO THIS STAFF, TO BE SURE, BUT IT WOULD SEEM MOST DESIRABLE THAT THEY BE MINIMAL.

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CERTAINLY, THERE IS NO CAUSE FOR THE DEVELOPMENT ONCE AGAIN OF AN OVERWEENING OFFICIAL PRESENCE WITH THE EXTENSIVE PARAPHENALIA OF PROGRAMS THAT HAS BECOME SO CHARACTERISTIC OF OFFICIAL U.S. ESTABLISHMENTS IN ASIA DURING THE PAST DECADE.

THE PRESIDENT TOOK A WISE INITIATIVE, IN MY JUDGMENT, IN MOVING TO RESTORE FRIENDLY RELATION WITH CAMBODIA AT THE OUTSET OF HIS ADMINISTRATION.

HE HAS ACTED TO CURB THE SPREAD OF THE WAR'S DEVASTATION AND, HENCE, TO FORESTALL AN INCREASE IN THE LOSS OF AMERICAN LIVES AND THE MULTIPLICATION OF HXX IN VIETNAM.

AS I SOUGHT TO DETAILS IN MY REPORT TO THE PRESIDENT, THERE ARE STEPS WHICH CAN BE TAKEN PROMPTLY TO CEMENT THE RELATIONSHIP WITH CAMBODIA AT THE OUTSET OF ITS RESUMPTION.

IN THE LONGER RANGE, HOWEVER, RESUMPTION PROVIDES A BASIS FOR DEVELOPMENT OF WHAT CAN BE MUTUALLY BENEFICIAL CULTURAL, COMMERCIAL, AND OTHER CONTACTS BETWEEN THE PEOPLES OF THE TWO NATIONS.

THE ENCOURAGEMENT OF CAMBODIA'S REVIVED INTEREST IN THE ASIAN DEVELOPMENT BANK AND OTHER MULTILATERAL AGENCIES MIGHT ALSO PROVE HELPFUL IN STRENGTHENING THE CONCEPT OF REGIONALISM.

IT WILL TAKE PATIENCE, SENSITIVITY, AND RESTRAINT BUT THE POLICIES OF THIS NATION, IN MY JUDGMENT, CAN ASSIST IN MAINTAINING THIS OASIS OF PEACE IN A WARTORN SOUTHEAST ASIA TO OUR BENEFIT AS WELL AS TO THE BENEFIT OF THE PEOPLE OF CAMBODIA.

E. LAOS.

FROM A DECLINE IN INVOLVEMENT AFTER THE GENEVA ACCORD OF 1962, THE U.S. PRESENCE IN THAT SMALL NATION HAS GROWN AGAIN TO DISTURBING PROPORTIONS.

THE REINVOLVEMENT IS LARGELY IN THE FORM OF ASSISTANCE OF ONE KIND OR ANOTHER, EXTENDED EITHER DIRECTLY BY U.S. AGENCIES OR INDIRECTLY THROUGH PRIVATE CONTRACTORS.

THE COST OF REINVOLVEMENT IS ALREADY IN THE HUNDREDS OF MILLIONS AND IS RISING.

MOST SERIOUSLY SEVERAL HUNDRED LIVES HAVE ALSO BEEN LOST.

PRESENT TENDENCIES IN LAOS, IN SHORT, RUN DIRECTLY COUNTER TO WHAT SHOULD BE ANTICIPATED FROM THE PRESIDENT'S NEW DOCTRINE.

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TO BE SURE, THE REINVOLVEMENT OF THE UNITED STATES IN LAOS IS ASSOCIATED WITH THE WAR IN VIETNAM AS WELL AS WITH THE CONTINUED AND SPREADING MILITARY ACTIVITY OF THE DISSIDENT PATHET LAO.

THE ARMED FORCES OF THE LATTER GROUP ARE NOW SAID TO NUMBER BETWEEN 15,000 AND 20,000.

IN ADDITION, IT IS ESTIMATED THAT SOME 50,000 NORTH VIETNAMESE ARE IN THE COUNTRY AT THIS TIME, MOVING BACK AND FORTH BETWEEN THE NORTH AND SOUTH OR GUARDING INFILTRATION ROUTES AND LINES OF SUPPLY.

THE CHINESE HAVE RECENTLY ADDED ARMED GUARDS TO A ROAD WHICH, BY AGREEMENT WITH A FORMER LAOTIAN GOVERNMENT, THEY ARE BUILDING IN REMOTE NORTHERN LAOS BUT THIS DEVELOPMENT DOES NOT SEEM TO HAVE STIRRED ANY DEEP ALARM IN VIENTIANE.

IT IS AN UNDERSTATEMENT TO NOTE THAT THE GENEVA ACCORD OF 1962 WHICH PROVIDED BOTH FOR THE NEUTRALITY OF LAOS AND FOR AN ALL-LAO GOVERNMENT OF THE VARIOUS FACTIONS IS NOW IN SUSPENSION.

THE PROSPECTS FOR ITS RESUSCITATION, MOREOVER, ARE LIKELY TO REMAIN GRIM, ESPECIALLY IF THE WAR IN VIETNAM IS NOT BROUGHT TO A CONCLUSION IN THE NEAR FUTURE.

IN PRESENT CIRCUMSTANCES, THE GOVERNMENT IN VIENTIANE IS UNABLE EITHER TO PERSUADE THE PATHET LAO TO REENTER A GOVERNMENT OF NATIONAL UNITY OR TO PREVENT A STEADY ACCRETION IN THE STRENGTH OF THIS DISSIDENT MOVEMENT.

THE U.S. RESPONSE TO THE WORSENING LAOTIAN SITUATION HAS BEEN TO CONDEMN THE CONTINUED PRESENCE AND ADDITION OF NORTH VIETNAMESE FORCES IN THE COUNTRY AND THE INVOLVEMENT OF HANOI IN SUPPORT OF THE PATHET LAO.

AT THE SAME TIME, AS NOTED, WE HAVE REINVOLVED OURSELVES ON A BILATERAL BASIS TO SUPPORT THE GOVERNMENT IN VIENTIANE AND AS A SUPPLEMENT TO THE WAR IN VIETNAM.

AT BEST, THIS COURSE IS ALREADY COSTING SOME AMERICAN LIVES AND HUNDREDS OF MILLIONS OF DOLLARS, WITH ALL SIGNS POINTING TO AN ACCRETION RATHER THAN A DIMUNITION.

AT WORST, IT COULD LEAD TO THE FULL ASSUMPTION OF U.S. MILITARY ROLE IN THE PATTERN OF VIETNAM - A COURSE WHICH WAS REJECTED BY THIS GOVERNMENT IN 1961 - 62.

AT IT IS NOW, THE DEPTH OF OUR REINVOLVEMENT HAS ALREADY CREATED A DILEMMA.

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ON THE ONE HAND, A COLLAPSE IN LAOS IS POSSIBLE, WITHOUT THE CONTINUANCE OF AID, AT LEAST AT ITS PRESENT LEVEL.

ON THE OTHER HAND, THE GREATER OUR SUPPORT OF THE GOVERNMENT IN VIENTIANE, THE LESS ITS CREDITABILITY AS A UNIFYING NEUTRAL FORCE FOR ALL OF THE LAOTIAN FACTIONS.

INDEED, IN PRESENT CIRCUMSTANCES, IT WOULD APPEAR THAT THE KING, SRI SAVANG VATTHANA, ALONE COMMANDS A GENERAL LOYALTY THROUGHOUT THE FACTIONALIZED LAND.

ANY POLITICAL ROLE WHICH HE MIGHT PLAY IN REUNIFICATION, HOWEVER, HAS HERETOFORE BEEN CIRCUMSCRIBED BY THE TRADITIONS AND PRACTICES OF THE KINGDOM.

IT IS DIFFICULT TO SEE HOW THE ADMINISTRATION'S NEW DOCTRINE CAN BE SUSTAINED IF THERE CONTINUES TO BE AN INCREASE IN U.S. ACTIVITIES IN THE OLD PATTERN IN THIS UNCERTAIN AND UNSTABLE SITUATION.

IT SEEMS TO ME THAT, AS A MINIMUM, EVERY EFFORT MUST BE MADE TO AVOID ANY FURTHER MAGNIFICATION OF THE AMERICAN PRESENCE IN LAOS.

MOST IMPORTANTLY, ANY ENLARGING COMMITMENT OF U.S. MILITARY FORCES IN THEIR REMOTE REGION MUST BE RESTRAINED.

V. CONCLUDING COMMENTS.

THE PRESIDENT'S NEW DOCTRINE CLEARLY CALLS FOR A CONTRACTION OF THE OFFICIAL U.S. PRESENCE IN SOUTHEAST ASIA.

IN SOME INSTANCES, THE NATIONS OF THE REGION HAVE ANTICIPATED THIS CONTRACTION. IN ALL THE NATIONS WHICH I VISITED, THERE IS UNDERSTANDING OF ITS INEVITABILITY.

MOST ARE READY FOR THE TRANSITION AND, IN GENERAL, WELCOME IT, PROVIDED THE U.S. INTEREST DOES NOT DISAPPEAR SUDDENLY UNDER A TIDAL WAVE OF NATIONAL RETRENCHMENT OR INDIFFERENCE.

THE PRESIDENT'S DOCTRINE, OF COURSE, DOES NOT CARRY IN ANY SENSE THE LATER IMPLICATION.

INDEED, ONLY BY AN UTTER DISREGARD OF OUR OWN NATIONAL INTERESTS COULD WE DISENGAGE COMPLETELY OUR CONCERN FROM THE AFFAIRS OF THE WESTERN PACIFIC.

WITHOUT ANY SUCH ABRUPT WITHDRAWAL, THERE IS AMPLE ROOM FOR AN ORDERLY CONTRACTION OF THE PREVAILING U.S. PRESENCE IN ASIA.

MOST PRESSING, THERE IS AN IMMEDIATE NEED FOR RESTRAINTS ON THE BUILT-IN TENDENCY OF THE PRESENCE TO GROW.

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THERE IS ROOM, FOR EXAMPLE, FOR THE FOLLOWING -

1. A CONTRACTION OF BILATERAL U.S. AID EFFORTS AND A SHIFT TO EXPANDING U.S. PARTICIPATION IN MULTILATERAL EFFORTS IN THE ECONOMIC DEVELOPMENT OF THE REGION.
2. A RIGID AND IMMEDIATE CURB ON MILITARY AID AND NO DEEPENING OF OUR DIRECT MILITARY INVOLVEMENT WITH ANY ASIAN GOVERNMENT, TO BE FOLLOWED BY A REEXAMINATION OF LONGSTANDING TREATY COMMITMENTS AND THEIR ORGANIZATIONAL SUBSTRUCTURES, NOTABLY SEATO.

3. OFFICIAL ENCOURAGEMENT AND SUPPORT OF COMMERCIAL, CULTURAL, TECHNICAL, AND ALL OTHER FORMS OF NONMILITARY INTERCHANGE ON A MUTUAL BASIS, SCALED TO THE LEVEL OF THE CAPACITY AND THE CLEARLY EXPRESSED DESIRES OF THE ASIAN NATIONS.

IN MY JUDGMENT, AN INTERPRETATION OF THE ADMINISTRATION'S DOCTRINE INTO POLICIES AND PRACTICES WHICH FOLLOW THE ABOVE LINES WOULD BE ACCEPTABLE IN MOST SOUTHEAST ASIAN NATIONS.

NOR IS IT A MATTER OF WAITING FOR THE END OF THE WAR IN VIETNAM.

TO BE SURE, WHEN THIS COSTLY AND TRAGIC ENMESHMENT IS BROUGHT TO A CLOSE, THE WAY WILL BE FACILITATED FOR MORE RAPID CHANGE.

AS I HAVE ALREADY INDICATED ABOVE, HOWEVER, AND, AS I HAVE DETAILED IN SPECIFIC RECOMMENDATIONS TO THE PRESIDENT IN CONFIDENTIAL REPORTS, THERE IS MUCH THAT CAN BE INITIATED NOW IN ORDER TO CONTRACT AND ADJUST AMERICAN ACTIVITIES IN SOUTHEAST ASIA TO BRING THEM INTO LINE WITH HIS GUAM DECLARATION.

IT IS NECESSARY TO REITERATE, HOWEVER, THAT AS OF THE TIME OF MY VISIT TO THE REGION, THE PRESIDENT'S PRONOUNCEMENTS HAD BROUGHT NO FOLLOW-THROUGH IN THE U.S.M MISSIONS ABROAD.

NOR DID THEY INDICATE TO ME THE RECEIPT OF NEW GUIDANCE AND INSTRUCTIONS FROM THE AGENCIES OF THE EXECUTIVE BRANCH.

IT WOULD SEEM TO ME, THEREFORE, THAT IF THE PRESIDENT'S INITIATIVE IS TO PRECIPITATE THE CHANGES WHICH IT PROMISES, THERE IS A NEED FOR CLOSE COLLABORATION BETWEEN THE RESPONSIBLE OFFICIALS IN THE ELECTED ADMINISTRATION AND THE CONGRESS.

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AS A FIRST STEP, IT WOULD BE MY SUGGESTION THAT AN IMMEDIATE FREEZE BE PLACED ON ALL OFFICIAL PERSONNEL INCREASES, MILITARY OR CIVILIAN, IN SOUTHEAST ASIA WHETHER BY PRESIDENTIAL ORDER, WITH STRONG CONGRESSIONAL SUPPORT, OR, IF NECESSARY, BY LEGISLATION, SUPPORTED BY THE PRESIDENT, PENDING FULL STUDY OF THE WIDE RANGE OF FUNCTIONS WHICH ARE NOW PURSUED BY U.S. GOVERNMENT AGENCIES IN SOUTHEAST ASIA.

SOME OF THESE FUNCTIONS WHICH BEGAN MANY YEARS AGO APPEAR ILL-FITTED OR ILL-SCALED TO PRESENT NEED.

A FULL EXAMINATION OF THIS KIND MIGHT WELL INVOLVE A JOINT EFFORT OF THE PRESIDENT AND THE CONGRESS, OR IT MIGHT INVOLVE PARALLEL STUDIES OR MULTIPLE STUDIES BY ONE OR THE OTHER.

HOWEVER IT PROCEEDS, THIS STUDY SHOULD GO FORWARD, IN MY JUDGMENT, WITHOUT DELAY.

IT IS ESSENTIAL TO THE MAINTENANCE OF A U.S. POSITION IN SOUTHEAST ASIA WHICH IS RELEVANT TO OUR NATIONAL INTERESTS, TO THE INTERESTS OF THE PEOPLE OF ASIA AND TO THE PEACE OF THE PACIFIC.

A/MIN. AND DEPT E.A.
MIN. AND DEPT DEFENCE
MIN. AND DEPT TRADE AND INDUSTRY
MIN. AND DEPT P.I.
TREASURER AND TREASURY
PM'S DEPT
DCO
PM'S

A/SEC FAS(1) AS(JIC) INT SEA M AND I M DL FAS(2)
UN PACAM SA EA AMSP PPO FAS(3) ER AID FAS(4)
EAMEC E ICR PIO

BANGKOK DJAKARTA PHNOM PENH RANGOON SAIGON VIENTIANE



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AUSTRALIAN EMBASSY
DJAKARTA

In reply quote No. 2245/2
Memorandum No. 1244

CENTRAL REGISTRY
D.E.A.

SEP 22 10 06 AM '69

HOW INDEX SUBJECT 19th September, 1969

3034/11/161

The Secretary,
Department of External Affairs,
CANBERRA.

U.S. AID TO INDONESIAN ARMED FORCES

We mentioned in paragraph 5 of our cable 2002 of 25th July that we had been informed in the Foreign Affairs Department of an argument between them and the military about the latter's desire to request military aid during President Nixon's visit.

2. The same source in Foreign Affairs has now given a more detailed account of this episode which may be worth recording. According to Abu Bakar Lubis the Indonesian military became aware of a paper written by Guy Pauker for President Nixon either just before or just after the latter's election in which Pauker made proposals for a Vietnam settlement which included stationing a substantial Indonesian contingent in South Vietnam. The Indonesian contingent would be equipped with weapons and other material which would ~~no longer~~ be made surplus to United States requirements as they withdrew their own troops. According to Lubis the Army, without consulting Foreign Affairs, took the bit between their teeth and made it known in Washington that they favoured the proposal, their main motive being to get their hands on what they saw as a vast source of new equipment of all kinds.

3. Lubis says that the Army leadership displayed in this episode its lack of understanding of foreign affairs and made Indonesia look ridiculous to the Americans. They acted without any consideration of the merits of Pauker's proposal or of the objective likelihood of its being accepted - which Lubis believes was nil. The argument after Foreign Affairs learned

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Mr. Goughlin on return

Mr. Burgess.


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what the Army had been doing apparently caused a good deal of ill-feeling on both sides. Some allowance for that ill-feeling should no doubt be made in respect of Lubis' account of the episode; but, because of his relationship to Mr Malik, he would certainly have been in a position to know the facts of the matter.

4. We are sending a copy of this memorandum to the Embassy in Washington.


(F.R. Dalrymple)
Minister

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INWARD SAVINGRAM CONFIDENTIAL

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20. We are inclined to doubt whether this decision will have any very strong deterrent effect on other highly-placed and powerful figures engaging in practices similar to those for which General Sudarman has been brought to book. The inefficient bureaucracy and budgetary methods provide too many easy loopholes for personal gain. But the Tribunal's decision on the basis of the case made by the Anti-Corruption Team does mean that the Generals (or at least some of them) can no longer feel immune from prosecution. There must now appear to be a somewhat greater degree of risk attached to large-scale corruption.

EXTERNAL

President Nixon's Visit to Djakarta

21. We mentioned in Savingram 32 that Adam Malik had confirmed that President Nixon would visit Djakarta in July. He is due to arrive on 27th July and will stay here for one day only. He will be accompanied, inter alia, by special adviser Henry J. Kissinger, Secretary of State Rogers; Assistant Secretary Marshall Green and State Department Chief of Protocol Mosbacher, plus approximately 130 security officers and 80 journalists.

22. The American Embassy have told us that President Nixon is coming here primarily to establish personal contact with President Soeharto, and that their discussions will include the present situation and likely developments in South East Asia. No doubt there will also be some discussion of economic-financial matters (President Nixon is believed to be most impressed by the Soeharto administration's achievements in this field), and of aid programmes. We have heard suggestions that the Indonesians will be seeking, among other things, military aircraft and naval ships.

23. At least two prominent newspapers, NUSANTARA and INDONESIA RAYA, have adopted the line that the U.S.A. should be more forthcoming in their

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Hk S'gram 35 of 18/7/69

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aid to Indonesia on the ground that generous aid given to Indonesia now will help to strengthen the country as an element of stability in the region and as a bulwark against Communist expansion. Both these newspapers' editorials reflect the view that Indonesia must be militarily strong in order to contribute significantly to the stability of the area in ways consonant with what are believed to be American objectives in South East Asia. They imply that Indonesia's military role in this strategic context will need to be increased following the American withdrawal from South Vietnam.

24. Meanwhile there is some concern amongst intellectuals and political parties over the visit. They believe that in making this visit, President Nixon is, as it were, giving his blessing to an established militarist regime, and that by doing so he is making the possibility of a return to democratic government even more remote. In response to discussions on this viewpoint, our American contacts take the view that Indonesia has largely solved its Communist problem, it has a stable Government, and as one of the few Governments in South East Asia that is stable, it must be supported.

Tunisia

25. The Foreign Minister of Tunisia, Habib Bourguiba Jr., visited Indonesia from 9th-13th July. The visit was uneventful. The joint communique expressed the "deep concern" of the two sides about developments in the Middle East and stressed their "full support for the Arab people's struggle". It condemned Israel's "territorial engrandisement" (sic) by force and reaffirmed support for the independence struggle of the Arab peoples of Palestine. Mr. Malik explained his Government's position on the Act of Free Choice in West Irian and the Tunisian Foreign Minister "expressed his confidence that the Act of Free Choice would be carried out in full keeping with the obligation under the New York Agreement for the benefit of the people concerned". At a press

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AMT I.79523
8/8/69 TOD 07.2000 LT
FROM TOR 08.1012 LT
AUSTRALIAN EMBASSY
WASHINGTON

5074 CONFIDENTIAL

ADDRESSED CANBERRA 5074, REPEATED DJAKARTA OP 685,
MANILA OP 686.

UNITED STATES - RELATIONS WITH THE PHILIPPINES AND
INDONESIA.

BOTH THE PHILIPPINES AND INDONESIA COUNTRY DIRECTORS IN
STATE ARE AWAITING MARSHAL GREEN'S RETURN FOR BRIEFINGS
ON THE SUBSTANCE OF NIXON'S DISCUSSIONS WITH MARCOS AND SUHARTO.
THEY SAY THERE HAS BEEN ALMOST NO REPORTING FROM THEIR
EMBASSIES ON THE TOP LEVEL DISCUSSIONS AND ONLY A LIMITED
AMOUNT ON THE OFFICIAL TALKS.

THE INDONESIAN COUNTRY DIRECTOR (MASTERS) HAS NOTHING
FURTHER TO ADD AT THIS STAGE TO THE COMMENTS HE MADE TO
US ON 31ST JULY (REPORTED IN OUR TELEGRAM 4874 TO CANBERRA).

2. THE PHILIPPINES COUNTRY DIRECTOR (USHER) TOLD US ON
6TH AUGUST THAT NIXON HAD APPARENTLY TALKED TO MARCOS ABOUT THE
FUTURE POSTURE OF THE UNITED STATES IN ASIA AND THAT THE
PHILIPPINES HAD TAKEN CAREFUL NOTE OF THE STATEMENTS MADE
BY NIXON THAT ASIAN NATIONS WOULD BE ENCOURAGED TO ASSUME
GREATER DEFENCE RESPONSIBILITIES AND THAT INCREASING
EMPHASIS WOULD BE PLACED ON THE CONCEPT OF SELF HELP.

3. ON THE BASIS OF FILIPINO PRESS AND OTHER REPORTS
USHER THOUGHT THAT THE PHILIPPINES WERE APPREHENSIVE ABOUT
THE FUTURE OF UNITED STATES-PHILIPPINES RELATIONS AND
WERE INTERPRETING NIXON'S STATEMENTS AS MEANING AN END
TO THE SPECIAL RELATIONSHIP AS THEY DEFINED IT.

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THE FACT THAT THE FILIPINOS HAD BEEN SPURRED TO
RE-EXAMINE THEIR RELATIONS WAS ALL TO THE GOOD.
HOPEFULLY IT WOULD LEAD THEM TO TAKE A MORE RESPONSIBLE
VIEW OF THE RELATIONS.

MIN AND DEPT E.A.
MIN AND DEPT DEFENCE
D.C.O.
P.MS

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SEC DEP SEC FAS(1) AS(JIC) INT SEA M AND IO M DL FAS(2)
PACAM AMSP PPO

DJAKARTA MANILA

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AMT I.79541
8/8/69 TOD 07.1900 LT
FROM TOR 08.1113 LT
AUSTRALIAN EMBASSY
WASHINGTON

5073 CONFIDENTIAL

SUPPLY OF ARMS TO SINGAPORE AND INDONESIA.

REFERENCE YOUR 3267.

GAMMON, MILITARY POLITICO ADVISER, EAST ASIA BUREAU, STATE, SAID HE WOULD PROCESS YOUR REQUEST FOR APPROVAL FOR THE SUPPLY OF REVOLVERS TO SINGAPORE AND INDONESIA AS QUICKLY AS POSSIBLE.

HE COULD SEE NO DIFFICULTIES.

ASKED ABOUT THE PRESENT STATUS OF OUR PREVIOUS REQUEST FOR APPROVAL TO SUPPLY REVOLVERS AND AMMUNITION TO MALAYSIA (YOUR 3027 REFERS) GAMON SAID IT WAS STILL IN THE MILL BUT HE HAD ASKED FOR IT TO BE GIVEN PRIORITY TREATMENT.

MIN AND DEPT E.A. (680/8/8)
MIN AND DEPT SUPPLY
MIN AND DEPT DEFENCE
D.C.O.
P.MS

SEC DEP SEC FAS(1) AS(JIC) INT SEA M AND I DLG FAS(2)
PACAM AMSP

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EXTERNAL

President Nixon's Visit

17. Following a Cabinet Meeting on 24th July at which President Soeharto briefed Ministers on President Nixon's forthcoming visit to Djakarta, State Secretary Major-General Alamsjah announced to the press that the Indonesian Government had drawn up a number of possible topics to be discussed with President Nixon. He said that the main discussions were expected to be on bilateral matters, including economic subjects, and the situation in South East Asia. We understand that a communique will not be issued following the President's visit but that press conferences will be held by the two sides.

18. We have learned from the United States Embassy that they are concerned about suggestions that President Soeharto might seek to concentrate the talks on economic assistance. The Americans would prefer a broad discussion on the future of South East Asia and Indonesia's role in it. (See our separate reports on this subject).

19. There has been a tussle between the Foreign Affairs Department and some of the military about the latter's recommendation that President Nixon be asked to provide military hardware. The Foreign Office are optimistic that these requests will be limited to equipment directly related to the civic action tasks of the Armed Forces.

Installation of Ambassadors

20. At a ceremony on 19th July, President Soeharto presided over the installation of the new Indonesian Ambassador to Singapore, Brigadier-General Sunarso, and the Ambassador to Thailand, Major-General Dharsono. In a brief address the President stressed his hope that the two Ambassadors would work towards the objective of strengthening ASEAN. "It is our principal task to foster the spirit and objective that once imbued the members of the Association to establish ASEAN", he said.

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MALIK 7/28

DJAKARTA (UPI)--INDONESIAN FOREIGN MINISTER ADAM MALIK SAID MONDAY THE QUESTION OF A SECURITY ARRANGEMENT FOR ASIA WAS NOT DISCUSSED BY INDONESIAN AND UNITED STATES GOVERNMENT LEADERS DURING PRESIDENT NIXON'S VISIT TO INDONESIA.

MALIK SAID, HOWEVER, HE ONLY KNEW WHAT WAS DISCUSSED BETWEEN THE OFFICIAL DELEGATIONS OF BOTH COUNTRIES, NOT WAS DISCUSSED BETWEEN THE OFFICIAL DELEGATIONS OF BOTH COUNTRIES, NOT WHAT WAS SAID DURING PRIVATE TALKS BETWEEN THE INDONESIAN AND AMERICAN PRESIDENTS.

+ACTUALLY WE ONLY COMPARED NOTES. WE DID NOT REALLY NEGOTIATE. WE HAVE EXPLAINED OUR VIEWS ON VARIOUS MATTERS AND THE AMERICANS EXPLAINED THEIRS,+ MALIK SAID.

MALIK, TALKING TO NEWSMEN AT DJAKARTA AIRPORT SHORTLY AFTER NIXON'S DEPARTURE FOR THAILAND, SAID THE U.S. PRESIDENT HAD BEEN CONVINCED THAT INDONESIA WAS NOW STRONG ENOUGH TO TAKE CARE OF ITS OWN SECURITY AND THAT NO SPECIAL ARRANGEMENT WAS NEEDED AS FAR AS THIS COUNTRY WAS CONCERNED. NIXON ASSURED THE INDONESIANS THAT THE U.S. WOULD CONTINUE TO RESPECT THE PRINCIPLE OF NON-ALIGNMENT FOLLOWED BY MANY ASIAN AND AFRICAN NATIONS.

THE UNITED STATES, HOWEVER, PLEDGED CONTINUED ASSISTANCE TO INDONESIA'S ECONOMIC DEVELOPMENT +BECAUSE IT WAS THE PRESIDENT'S BELIEF THAT INDONESIA WOULD PLAY AN IMPORTANT ROLE IN THE FUTURE, ESPECIALLY IN ASIA,+ MALIK SAID.

MALIK SAID INDONESIA WAS WILLING TO MAINTAIN A PEACE-KEEPING FORCE IN VIETNAM AFTER AN AMERICAN WITHDRAWAL, BUT ONLY IF REQUESTED BY THE UNITED NATIONS.

THE INDONESIAN POSITION IN THIS MATTER HAS BEEN ANNOUNCED BEFORE, AND MALIK SAID THE TALKS ON THE VIETNAM ISSUE HAD NO BEARING ON NIXON'S PROPOSAL FOR AN INTERNATIONAL CONTROL SYSTEM FOR VIET NAM IN THE FUTURE.

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DEPARTMENT OF EXTERNAL AFFAIRS

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reactions to the problems of unemployment and mass dismissals, this is hardly the kind of facile comment we would have expected from him on one of the Government's most pressing problems. It illustrates yet again the caution with which the Government has to approach a sensitive and emotive issue.

President Nixon

16. Foreign Minister Malik confirmed on 30th June that President Nixon would pay a short visit to Indonesia in July following the Apollo attempt to land on the moon. We understand that President Nixon is expected to make only a short stop-over on his way to Europe.

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SECOND DAYLEAD NIXON (WITH NEW MATERIAL)

DJAKARTA, JULY 28, AAP REUTER - PRESIDENT NIXON AND PRESIDENT SUHARTO BEGIN TWO-HOUR LONG TALKS THIS MORNING TO EXCHANGE VIEWS ON A WIDE RANGE OF SUBJECTS INCLUDING VIETNAM AND THE EFFECT PEACE IN VIETNAM WOULD HAVE ON SOUTH-EAST ASIA.

THE TWO PRESIDENTS MET PRIVATELY FOR 45 MINUTES - 15 MINUTES LONGER THAN PLANNED - YESTERDAY AFTERNOON SOON AFTER MR NIXON'S ARRIVAL FROM MANILA.

ACCORDING TO A WHITE HOUSE SPOKESMAN, THIS MEETING CENTERED CHEIFLY ON MATTERS DIRECTLY RELATING TO INDONESIA.

AT THE SAME TIME U.S. SECRETARY OF STATE WILLIAM ROGERS AND INDONESIAN FOREIGN MINISTER ADAM MALIK AND A TEAM OF ADVISERS LAID THE GROUNDWORK FOR TOPICS TO BE DISCUSSED AT TODAY'S MEETING.

INFORMED AMERICAN SOURCES SAID THESE SUBJECTS INCLUDED THE VIETNAM WAR AND THE PARIS PEACE NEGOTIATIONS, THE EFFECTS OF BRITAIN'S MILITARY WITHDRAWAL FROM THE AREA BY 1971 AND CHINA'S POLICIES AND ACTIONS IN ASIA.

ANOTHER MAJOR TOPIC WILL BE SOVIET COMMUNIST PARTY LEADER NICOLAI BREZHNEV'S RECENT APPEAL FOR AN ASIAN COLLECTIVE SECURITY ARRANGEMENT.
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SECOND DAYLEAD NIXON 2 DJAKARTA

HOWEVER, OVERSHADOWING ALL OTHER SUBJECTS COULD BE THE MATTER OF INDONESIA'S ECONOMIC SITUATION.

AT A STATE BANQUET FOR THE NIXON'S LAST NIGHT, PRESIDENT SUHARTO SAID HE HOPED MR NIXON'S VISIT WAS THE PINNACLE OF FRIENDLY UNDERSTANDING AND ASSISTANCE BETWEEN THE TWO COUNTRIES.

PRESIDENT SUHARTO SAID HE HOPED "WE WILL NOT STOP AT THIS PINNACLE BECAUSE THERE IS QUITE A LOT TO DO AND OUR AIMS ARE STILL DISTANT."

HE THANKED MR NIXON FOR AMERICA'S ASSISTANCE AND SAID IT WAS IMPORTANT TO INDONESIA'S EFFORTS TO DEVELOP ITS ECONOMY.

PRESIDENT NIXON IN REPLY SAID AMERICA WAS PRIVILEGED TO HELP IN INDONESIA'S PLANS AS HE CONSIDERED INDONESIA VITAL TO THE PEACE OF THE PACIFIC AND THEREFORE THE PEACE OF THE WORLD.

DIPLOMATIC OBSERVERS HERE HAD SAID BEFORE MR NIXON'S ARRIVAL THAT THEY THOUGHT ONE OF THE MAIN THINGS PRESIDENT SUHARTO WANTED TO ELICIT FROM PRESIDENT NIXON WAS A PROMISE OF CONTINUING ECONOMIC SUPPORT.

MR NIXON APPEARED TO GIVE THIS ASSURANCE LAST NIGHT WHEN HE SAID THAT ONE GOAL OF HIS ADMINISTRATION WAS TO SEE THAT THE TIES OF ASSISTANCE WITH INDONESIA GREW STRONGER AND STRONGER.
MORE DMB



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SCANNING THIS ITEM AT A HIGHER RESOLUTION WILL NOT IMPROVE ITS LEGIBILITY.

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SECOND DAYLEAD NIXON 3 DJAKARTA

MR NIXON DOES NOT APPEAR TO HAVE ASKED FOR ANY CHANGE IN INDONESIA'S NON-ALIGNED ROLE AS A CONCESSION FOR THIS CONTINUING AID. IN FACT, IN HIS ARRIVAL STATEMENT HE SAID: "IT IS ON THE BASIS OF COMMON VALUES AND IDEALS AND NOT ON THE BASIS OF ALLIANCE OR ALIGNMENT THAT MY COUNTRY SEEKS TO COOPERATE WITH THE INDONESIAN REPUBLIC."

WHILE THE TWO PRESIDENTS ARE TALKING MRS NIXON WILL VISIT AN ORPHANAGE AND A WORKSHOP FOR HANDICAPPED PEOPLE.

FORTY-FIVE MINUTES AFTER THE TALKS THE NIXON'S WILL LEAVE THE PALACE FOR THE AIRPORT AND THEIR FLIGHT TO BANGKOK ON THE THIRD LEG OF THEIR TRIP ROUND THE WORLD.

WHEN PRESIDENT NIXON LEAVES FOR BANGKOK, MR ROGERS BREAKS AWAY FROM THE PARTY AND FLIES TO TOKYO AT THE START OF A TOUR OF HIS OWN TO SEOUL, SOUTH KOREA, DOWN TO AUSTRALIA AND BACK TO THE INDONESIAN HOLIDAY RESORT ISLAND OF BALI.

HE IS DUE IN BALI ON AUGUST 5 WHERE HE WILL MEET AGAIN WITH MR HALIK TO CONTINUE TALKS BEGUN ON THIS VISIT.

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HTLEAD NIXON

DJAKARTA, JULY 28, AAP-REUTER - PRESIDENT RICHARD NIXON FLEW OUT OF DJAKARTA THIS AFTERNOON AFTER ASSURING THE INDONESIAN NATION THAT THEIR FUTURE WAS IN GOOD HANDS AND THAT AMERICA WOULD NOT TRY TO TURN IT FROM ITS POLICY OF NON-ALIGNMENT.

SPEAKING AT THE AIRPORT SHORTLY BEFORE DEPARTURE MR. NIXON TOLD PRESIDENT SUHARTO: "YOU CHOOSE YOUR OWN WAY.... YOU CHOOSE YOUR OWN POLICIES."

"WE WILL BE HAPPY AND PROUD TO WORK WITH YOU,"

PRESIDENT NIXON STRESSED ONCE AGAIN A POINT HE HAS BROUGHT UP REPEATEDLY IN HIS TALKS AND SPEECHES HERE:

"WHAT HAPPENS HERE WILL HAVE A DRAMATIC EFFECT ON WHAT HAPPENS EVERYWHERE ELSE IN THE WORLD."

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NIGHTLEAD NIXON 2 DJAKARTA

MR. NIXON SAID: "I LEAVE HERE WITH THE CONVICTION THAT THE FUTURE OF THIS COUNTRY IS IN GOOD HANDS."

PRESIDENT SUHARTO REPLYING SAID THAT MR. NIXON'S VISIT HAD ALLOWED THE AMERICAN PRESIDENT TO HAVE A CLEARER PICTURE OF INDONESIA'S IDEALS, HER VIEWS OF WORLD PROBLEMS IN GENERAL AND ON CURRENT ISSUES.

"THE FRANK DISCUSSIONS HELD IN AN UNDERSTANDING ATMOSPHERE, THE DESIRE TO ENHANCE FRIENDLY RELATIONS IN A SINCERE AND STRIGHT-FORWARD MANNER, ARE INDEED VERY FRUITFUL TO US," HE ADDED.

"I GREATLY VALUE YOUR COMPREHENSION WITH REGARD TO OUR IDENTITY," V HE SAID.

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•AAP230 28 JUL 69 1800

NIGHTLEAD NIXON 3 DJAKARTA

PRESIDENT SUHARTO SAID THE U.S. AND INDONESIA SHOULD STRIVE FOR CLOSER COOPERATION WHICH WOULD BE BENEFICIAL TO BOTH COUNTRIES AND WHICH MIGHT CONTRIBUTE TO THE WELFARE OF A NEW SOUTH EAST ASIA, TO WORLD PEACE AND TO THE PROSPERITY OF MANKIND.

BEFORE LEAVING PRESIDENT NIXON INVITED PRESIDENT SUHARTO TO VISIT THE UNITED STATES AND PRESIDENT SUHARTO ACCEPTED THE INVITATION SAYING HE WOULD HONOUR IT AT AN APPROPRIATE TIME.

AIR FORCE ONE LEFT DJAKARTA AIRPORT FOR BANGKOK 10 MINUTES BEHIND SCHEDULE. THE DELAY WAS CAUSED BY THE LATE ARRIVAL OF THE NIXONS AT THE AIRPORT.

TOP-LEVEL TALKS AT THE PALACE THIS MORNING WHICH WERE EXPECTED TO FINISH AT 1100 LOCAL DID NOT IN FACT END UNTIL 1130 LOCAL.

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NIGHTLEAD NIXON 4 DJAKARTA

INDONESIAN FOREIGN MINISTER ADAM MALIK SAID THE TWO-HOUR MEETING INCLUDED DISCUSSION ON THE BRITISH MILITARY WITHDRAWAL EAST OF SUEZ IN 1971 AND CHINA.

BUT THE SOVIET-PROPOSED COLLECTIVE SECURITY SYSTEM IN ASIA WAS NOT DISCUSSED.

"THE UNITED STATES SEEMS TO HAVE NO INTEREST IN IT," MR. MALIK SAID.

WHILE THE TWO PRESIDENTS TALKED PRIVATELY, U.S. SECRETARY OF STATE WILLIAM ROGERS AND MR. MALIK AND HIS ADVISERS HELD DISCUSSIONS IN ANOTHER ROOM AT THE FREEDOM PALACE.

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INTERPRETIVE- TALKS (WITH NIXON)

BY AAP-REUTER CORRESPONDENT RICHARD PARIS

DJAKARTA, JULY 28, AAP REUTER-- INDONESIA'S PRESIDENT APPEARS TO HAVE WON FROM THE UNITED STATES THE PROMISE OF CONTINUED ECONOMIC AID BUT WITHOUT HAVING TO ALTER INDONESIA'S NEUTRAL STAND IN SOUTH-EAST ASIA.

THIS IS THE MAIN POINT THAT EMERGES FROM A SHORT ROUND OF TOP-LEVEL TALKS HERE BETWEEN PRESIDENT SUHARTO AND PRESIDENT NIXON, WHO LEFT TODAY AFTER A 22-HOUR VISIT TO DJAKARTA.

THE TALKS BEGAN SHORTLY AFTER MR. NIXON'S ARRIVAL FROM MANILA YESTERDAY AND REOPENED AGAIN THIS MORNING ONLY THREE HOURS BEFORE HE LEFT FOR BANGKOK ON THE NEXT LEG OF HIS FIVE-NATION ASIAN TOUR.

THE LEADERS OF INDONESIA, WHICH IS STAGING A LONG COMEBACK FROM THE ECONOMIC RUIN OF PRESIDENT SUKARNO'S RULE, ARE PREOCCUPIED WITH ECONOMIC MATTERS. THEY HAVE EMPHASISD THAT THE ONLY ANSWER TO COMMUNIST INFILTRATION AND SUBVERSION IN SOUTH-EAST ASIA IS THE STRENGTHENING OF NATIONAL ENDURANCE BY BUILDING THE ECONOMIC BASIS ON WHICH A COUNTRY STANDS.

THEY SAY THE COMMUNIST THREAT CANNOT BE MET BY MILITARY PACTS BUT ONLY BY COOPERATION BETWEEN NATIONS IN THE FIELDS OF ECONOMY, CULTURE AND IDEOLOGY. INDONESIA DEPENDS HEAVILY ON AMERICAN AID, AND HAS ALL IT CAN USE UP UNTIL THE END OF 1970. WHAT PRESIDENT SUHARTO WANTS FROM MR. NIXON WAS A PROMISE OF CONTINUING AID.

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TALKS 2 DJAKARTA

HOWEVER, MANY OBSERVERS HERE FEARED THAT THE AMERICANS MIGHT ASK FOR SOME INDICATION THAT INDONESIA WAS WILLING TO PARTICIPATE IN REGIONAL DEFENCE COOPERATION IN CONSIDERATION FOR FIRM AID COMMITMENTS.

BUT PRESIDENT SUHARTO SEEMS TO HAVE COME OUT OF THE TALKS WITH MR. NIXON WITH THE PROMISE OF MORE AID AND WITH HIS COUNTRY'S POLICY OF NON-ALIGNMENT UNCHANGED.

SPEAKING AT THE AIRPORT BEFORE LEAVING FOR BANGKOK THIS AFTERNOON, MR. NIXON SAID AMERICA WAS PRIVILEGED TO HELP IN INDONESIA'S ECONOMIC PLANS AS HE CONSIDERED INDONESIA VITAL TO PEACE THROUGHOUT THE WORLD.

THIS WAS THE SECOND TIME IN TWO DAYS THAT MR. NIXON HAD USED ALMOST EXACTLY THE SAME WORDS. MR. NIXON HINTED AT HIS IDEAS ON HIS ARRIVAL YESTERDAY WHEN HE SAID AMERICA WANTED TO COOPERATE ON THE BASIS OF COMMON IDEALS AND VALUES, NOT ON THE BASIS OF ALLIANCE OR ALIGNMENT.

HE WAS MUCH STRONGER TODAY WHEN HE SAID: "YOU CHOOSE YOUR OWN WAY. YOU CHOOSE YOUR OWN POLICIES."

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TALKS 3 DJAKARTA

IN REPLY, PRESIDENT SUHARTO THANKED AMERICA WHICH, HE SAID, WAS "CONSTANTLY DISPOSED TO ASSIST US IN BUILDING OUR FUTURE, IN HARMONY WITH OUR PRINCIPLES, ASPIRATIONS AND OUR OWN WAYS."

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THIS WAS TAKEN BY OBSERVERS TO MEAN THAT MR. NIXON HAD PROMISED CONTINUING ECONOMIC ASSISTANCE WITH NO STRINGS ATTACHED. GENERAL SUHARTO TOLD MR. NIXON THAT HE GREATLY VALUED THE AMERICAN PRESIDENT'S UNDERSTANDING OF INDONESIA'S WISH TO RETAIN ITS IDENTITY.

THE INDONESIAN FOREIGN MINISTER, MR. ADAM MALIK, HAD PARALLEL TALKS WITH U.S. SECRETARY OF STATE WILLIAM ROGERS, LATER JOINING IN THE ENLARGED TALKS.

MR. MALIK TOLD AAP REUTER AFTER THE PRESIDENT'S DEPARTURE: "MR. NIXON'S VISIT HAS CREATED BETTER UNDERSTANDING BETWEEN THE TWO COUNTRIES."

HE SAID THE TALKS HAD RANGED OVER A WIDE VARIETY OF SUBJECTS, INCLUDING VIETNAM, THE BRITISH MILITARY WITHDRAWAL EAST OF SUEZ, CHINA, THE MIDDLE EAST AND JAPAN'S FUTURE ROLE IN ASIA.
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TALKS 4 DJAKARTA

DESPITE INDICATIONS BY U.S. OFFICIALS YESTERDAY THAT A POSSIBLE MAJOR SUBJECT FOR THE TALKS TODAY WOULD BE THE SOVIET GOVERNMENT'S RECENT APPEAL FOR AN ASIAN COLLECTIVE SECURITY

ARRANGEMENTS MR. MALOK SAID THE MATTER HAD NOT BEEN BROUGHT UP.

HE ADDED: "THE U.S. SEEMS TO HAVE NO INTEREST IN IT."
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Malik-Rogers Talks -

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31. Foreign Minister Malik held further talks with United States Secretary of State, William Rogers, in Bali from 5th-7th August. We do not yet know what transpired at these talks. Mr. Rogers left Bali on 7th August to attend the ANZUS Council Meeting in Canberra.

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DEPARTMENT OF EXTERNAL AFFAIRS
CONFIDENTIAL

INWARD SAVINGRAM

TOD Date: 1st August, 1969

TOR DATE: 04.1740 LT

From: Australian Embassy,
DJAKARTA.

I. 77812

SAVINGRAM NO. 38. CONFIDENTIALRepeated Kuala Lumpur, SingaporeMAIN POINTS:

President Nixon and Secretary of State Rogers, accompanied by senior officials, visited Djakarta on 27th-28th July. President Nixon had two private talks with President Soeharto and Mr. Malik and Mr. Rogers, with their respective teams of officials, had parallel discussions.

2. We have heard some disturbing reports, which have not been confirmed, that the Minister of Mining, Professor Sumantri, will be removed to make way for Major-General Ibnu Sutowo and that Major-General Alamsjah is in line for Ibnu Sutowo's present job of Head of Pertamina.

3. On 26th July the Regency of Sorong, and on 29th July Manokwari, through their Consultative Councils, voted unanimously in favour of West Irian remaining a part of Indonesia. Six of the eight districts have now recorded a 100 percent decision in favour of the Territory's status as part of Indonesia.

4. The Trade Minister, Professor Soemitro, has announced the appointment of six syndicates to handle the import and distribution of flour.

5. A U.S.S.R. technical delegation is to visit Indonesia during the second or third week of August, reportedly to discuss economic co-operation and the possible completion of Soviet projects which have stagnated since the withdrawal of Russian aid in 1966.

6. A USAID loan of US\$6.3 million, to finance additional plant for the Gresik Cement Company, was signed in Djakarta on 25th July.

7. The BIMAS rice cultivation project appears to have had a disappointing yield.

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INTERNAL

President Nixon's Visit

8. According to the Indonesian Foreign Office the two private talks between Presidents Nixon and Soeharto during the former's 22-hour visit to Djakarta on 27th-28th July were devoted to quite general statements and exchanges of views. The first meeting of forty minutes was taken up with a prepared exposition by Soeharto of Repelita and the development objectives and President Nixon gave a general assurance of continued United States interest and support. At the second Presidential talk Mr. Nixon explained his broad thinking about security in Asia, the likely future role of the United States, etc., along the same lines as in Guam statement. General Soeharto explained that Indonesia was not in a position to take on any responsibility for security of the region and must concentrate on economic development so that she would in due course be strong enough to assume her proper role.

9. The talks between Foreign Minister Malik and Secretary of State Rogers proceeded smoothly and both the Americans and the Indonesians appear satisfied that a useful understanding was established. Vietnam and regional security were prominent among subjects discussed but the talks ranged over a wide area, some of which, including China, the Indonesians hope to explore in more detail in the next round of Malik/Rogers talks next week.

10. We have been told by the American Embassy that nothing new was raised by either side. The Indonesians stuck to the wellknown position on Vietnam but privately made known their hope that the United States would not withdraw forces from that country precipitately. Rogers gave assurances that the United States would continue to extend economic aid to strengthen Indonesia and that it would honour all its existing treaty obligations in the area. Aid was touched on only in the context of Indonesia's expected continuing needs (\$500-\$600 million per year)

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over a period of years, but no new commitments were sought or made by either side. Contrary to some speculation before the visit, Indonesia did not request military assistance from the Americans. President Soeharto accepted an open invitation from President Nixon to visit the United States. No date was fixed however and no one here expects the visit to take place before next year.

11. As we have reported in earlier Savingrams, the domestic press had given some currency to speculation about American objectives in Djakarta. One of these was that Nixon would attempt to organise Indonesia into a military defence arrangement. This of course has been far from American minds, but even following President Nixon's visit a number of newspapers here speculated about "secret arrangements" which Soeharto may have entered into. Presumably to dispel any doubts, President Soeharto through his Cabinet Secretary was prompt in announcing on 29th July that the United States had not urged Indonesia to join any defence pact. Subsequent press comment has remarked favourably on Nixon's visit and has hailed the American President's approach to Indonesian interests as mature and pleasantly lacking in condescension.

The Cabinet

12. While it is not our practice to anticipate the Indonesian way, particularly in top-level decision making, we have heard from sources which are usually fairly reliable that a number of Cabinet changes may be in the offing. These stories, which are unconfirmed but which originate from a responsible source, give us some cause for concern. The reports appear to be consistent with recent speculation surrounding Major-General Ibnu Sutowo, Head of Pertamina, and the Minister of Mining, Professor Sumantri. Sumantri has recently drawn criticism as Minister for Mining for delays in disbursement of Indonesia's Five Year Plan allocations to the mining sector. (see separate report in this Savingram). He has also spent a considerable time

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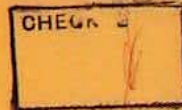
President Nixon's Visit to Indonesia

⇒ Miss Williams (AMSP)

⇒ Mr Grenville ^{17a} (Ad)

You may wish to take copies
of papers of interest to you.

JRBurgen
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ROGERS 8/7

(HOLD FOR WIRE RELEASE)

DENPASAR, BALI (UPI)-- U.S. SECRETARY OF STATE WILLIAM P. ROGERS ENDED A TWO-DAY REST ON THIS FABLED INDIAN OCEAN ISLAND PARADISE AND DEPARTED FOR AUSTRALIA THURSDAY.

THE ROGERS PARTY DEPARTED DENPASAR'S NEW INTERNATIONAL AIRPORT AT 0220 GMT FOR A DIRECT FLIGHT TO CANBERRA, AUSTRALIA, WHERE THE SECRETARY OF STATE WILL ATTEND THE ANZUS COUNCIL MINISTERS MEETING FRIDAY.

DURING HIS STAY ON BALI ROGERS WAS HOSTED BY INDONESIAN FOREIGN MINISTER ADAM MALIK. THE TWO DAY VISIT WAS PRIMARILY TAKEN UP WITH SIGHTSEEING, SWIMMING AND BUYING SOUVENIRS. THE TWO LEADERS HAD ONLY ONE BRIEF 45 MINUTE SCHEDULED TALK AT WHICH ROGERS REITERATED PRESIDENT NIXON'S PLEDGE OF CONTINUED UNISTATES FINANCIAL SUPPORT FOR THE ECONOMIC RECONSTRUCTION OF INDONESIA.

ROGERS INDICATED THAT AMERICA WOULD CONTINUE TO PROVIDE ONE THIRD OF INDONESIA'S ANNUAL FOREIGN AID REQUIREMENTS--WHICH THIS YEAR TOTAL 500-MILLION DOLLARS.

UNDERSECRETARY MARSHALL GREEN CONFERRED WITH INDONESIAN MILITARY CHIEFS WEDNESDAY AND PLEDGED LIMITED MILITARY AID TO INDONESIA. AN INTENSIFIED TRAINING PROGRAM FOR CIVIC ACTION USE OF MILITARY FORCES, PLUS SUPPLIES OF NONLETHAL EQUIPMENT WERE DISCUSSED.

ROGERS AND HIS EXPERTS PRONOUNCED THEMSELVES SATISFIED WITH THE PROGRESS MADE BY PRESIDENT SUHARTO TOWARD ECONOMIC AND POLITICAL STABILITY IN THIS FIFTH MOST POPULOUS NATION IN THE WORLD. THEY URGED INDONESIA TO PRESS AHEAD WITH PLANS TO MAKE ITSELF SELF SUFFICIENT IN FOOD PRODUCTION FOR ITS 117-MILLION PEOPLE.

DURING HIS VISIT ROGERS TOURED BALINESE TEMPLES, SAMPLED A FOURTEEN COURSE BALINESE FEAST, AND TRIED HIS HAND AT A SHAKY HULA DNCE WITH A BALINESE DANCING GIRL. HE AND HIS WIFE STROLLED THE WHITE CORAL SAND BEACHES AND BOUTH SAMPLES OF THE GRACEFUL WOOD CARVINGS THE ISLAND HAS MADE FAMOUS.

IN AUSTRALIA ROGERS IS EXPECTED TO EXPLAIN AMERICAS NEW LOOK FOREIGN POLICY AND ASSURE AUSTRALIA AND NEW ZEALAND OF CONTINUED AND INCREASED AMERICAN INTEREST IN THE PACIFIC REGION.

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BY BRIAN DEWHURST

DEN PASAR, BALI (UPI)--

7.S. SECRETARY OF STATE WILLIAM P. ROGERS ARRIVED AT THE INDONESIAN ISLAND OF BALI MIDAFTERNOON TUESDAY FOR A TWO-DAY REST AND INFORMAL TALKS WITH INDONESIAN FOREIGN MINISTER ADAM MALIK BEFORE PROCEEDING TO AUSTRALIA THURSDAY.

ROGERS'S OFFICIAL ITINERARY INCLUDES SWIMS, SUNNING, A TOUR OF THE ISLAND'S TEMPLES AND VIEWING BALI'S FAMOUS DANCES. A U.S. EMBASSY SPOKESMAN SAID TUESDAY ANY TALKS BETWEEN ROGERS AND MALIK WOULD BE STRICTLY INFORMAL.

THE INDONESIAN FOREIGN MINISTER WAS EXPECTED DURING THESE TALKS TO ASK FOR THE UNITED STATES FURTHER ASSISTANCE TO KEEP INDONESIA ON ITS PRESENT PATH OF ECONOMIC AND POLITICAL STABILITY.

INDONESIAN GOVERNMENT LEADERS REPORTEDLY DID NOT MENTION THE QUESTION OF MORE AMERICAN AID DURING PRESIDENT NIXON'S VISIT TO DJAKARTA LAST WEEK, BUT THE U.S. PRESIDENT WAS SAID TO HAVE ASSURED THE PRO-WESTERN INDONESIAN LEADERS THAT THE UNITED STATES WAS VITALLY INTERESTED IN INDONESIA'S ECONOMIC DEVELOPMENT BECAUSE IT WAS NIXON'S BELIEF THAT INDONESIA WOULD PLAY AN IMPORTANT PART IN THE FUTURE STABILITY OF ASIA.

INDONESIA PRESENTLY RECEIVES ECONOMIC AID TOTALLING 500 MILLION U.S. DOLLARS FROM A CONSORTIUM OF 11 WESTERN NATIONS. THE U.S. CONTRIBUTES MORE THAN ONE-THIRD WITH 180 MILLION (M) DOLLARS IN CREDITS AND FOOD. JAPAN IS SECOND WITH 1.8)89.

ROGERS IS EXPECTED TO FURTHER REASSURE THAT WHILE THE UNITED STATES IS ANXIOUS TO REMAIN A PACIFIC POWER, ITS FUTURE POLICY WILL BE ONE OF ECONOMIC ASSISTANCE AND THAT IT WILL AVOID AT ANY COSTS ANOTHER VIETNAM.

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ROGERS 8/5

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PRESIDENT NIXON WAS ASSURED BY INDONESIAN LEADERS DURING HIS VISIT THAT THE CHANCES OF DIRECT COMMUNIST AGGRESSION WERE SLIM AND HE EXPRESSED HIS CONVICTION THAT INDONESIA WAS NOW STRONG ENOUGH TO TAKE CARE OF ITS OWN SECURITY. THE AMERICANS DID NOT MENTION THE QUESTION OF ESTABLISHING A SECURITY ARRANGEMENT FOR ASIA AND IT IS NOT LIKELY THAT THE MATTER WILL BE DISCUSSED OVER THE NEXT TWO DAYS.

THE U.S. GOVERNMENT RESPECTS THE NON-ALIGNMENT POLICY FOLLOWED BY INDONESIA AND MANY OTHER COUNTRIES IN ASIA AND AFRICA.

OTHER THAN UNSCHEDULED INFORMAL TALKS, ROGERS' TIME ON THIS MAGNIFICENT ISLAND WILL BE SPENT SWIMMING AND VISITING TEMPLES.

HE WILL LEAVE HERE AUG. 7 AND FLY DIRECT TO CANBERRA WHERE HE WILL ATTEND A MEETING OF ANZUS COUNCIL MINISTERS MEETING AUG. 8.
PC/815P/103Y (DJK-9)

Mr. Bondi
1-2 19

113

3034/11/161

DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

112
CONFIDENTIAL
CONFIDENTIAL

NMS

I.78260

6/8/69

TOD 05.1355LT

FROM

TOR 05.1859LT

AUSTRALIAN EMBASSY
DJAKARTA

2093 CONFIDENTIAL

UNITED STATES MILITARY ASSISTANCE TO INDONESIA.

REFERENCE YOUR CABLE NO. 2422, OUR NO. 2049 AND
WASHINGTON'S NO. 4871.

2. AS FORESHADOWED IN OUR NO. 2049, MILITARY ATTACHE HAS
OBTAINED FURTHER DETAILS OF ADMINISTRATION AND CONTENT OF
PROGRAMME AT THIS END.

WE ARE SENDING HIS REPORT IN TODAY'S SAFE HAND BAG.

IT CONFIRMS THAT EQUIPMENT AND OTHER HARDWARE
SO FAR PROVIDED UNDER THE MILITARY ASSISTANCE PROGRAMME IS
DIRECTLY RELATED TO ARMY'S CIVIC MISSION TASKS, I.E. ROAD
GRADERS, TRACTORS, BULLDOZERS, DRILLS, CRANES, SCOOPS,
ETC.

FOLLOWING EXTRACT FROM MILITARY ATTACHE'S REPORT DESCRIBES
PRINCIPAL PROBLEM OF PROGRAMME TO DATE:

"THERE IS A TENDENCY FOR EQUIPMENT TO BE SIDETRACKED
INTO TASKS WHICH BRING REMUNERATION TO THE OWNERS, E.G.
HIRING OUT VEHICLES TO PRIVATE FIRMS.
ANOTHER DIFFICULTY IS ENSURING THAT EQUIPMENT IS MAINTAINED
IN GOOD WORKING ORDER. INDONESIANS ARE INCLINED TO ADOPT
A CAREFREE ATTITUDE TOWARDS EQUIPMENT THEY RECEIVE AS
"HANDOUTS", BELIEVING THAT THE EASIEST WAY TO OPERATE
THE GENEROUS SYSTEM IS TO USE THE EQUIPMENT WITHOUT ANY
MAINTENANCE WHATEVER UNTIL IT FALLS APART OR SEIZES UP
WITH RUST, AND THEN ASK FOR A NEW ONE.
A FURTHER PROBLEM IS IN GETTING THE INDONESIANS TO RECEIVE,
PROCESS AND PUT TO USE THE HARDWARE DELIVERED TO THE DOCKS.
IT IS A CONSTANT HEADACHE FOR DLG TO POLICE THE CLEARANCE
OF EQUIPMENT FROM THE WHARF TO THE USER."

MIN AND DEPT E.A.
MIN AND DEPT DEFENCE
D.C.O.
P.M.'S

SEC DEP SEC FAS(1) AS(JIC) INT SEA M AND IO M DL
FAS(2) PACAM AMSP PPO FAS(3) FAS(4) ICR PIO

DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

3034/11/161

11/ SECRET

MDH

5/8/69

FROM

AUSTRALIAN EMBASSY
WASHINGTON.

I. 78092

TOD 04.1815 LT

TOR 05.1047 LT

4946

SECRET

ADDRESSED CANBERRA 4946, REPEATED DJAKARTA OP 664, LONDON
373.

INDONESIA - US MILITARY ASSISTANCE.

REFERENCE PARAGRAPH 3 OF OUR 4871.

MASTERS (STATE) SAID TODAY THAT THE TOTAL NUMBER OF
INDONESIANS CURRENTLY IN TRAINING IN THE UNITED STATES
UNDER THE US MILITARY ASSISTANCE PROGRAMME WAS OF THE ORDER
OF 120 OR 130.

WHEN HE SPOKE TO US ON 31ST JULY HE HAD BEEN UNDER THE
IMPRESSION THAT THERE WERE ONLY ABOUT 30-40.

HE WISHED TO PUT THE RECORD STRAIGHT ON THIS POINT.

MIN. AND DEPT. E.A.
MIN. AND DEPT. DEFENCE
D.C.O.
P.M'S.

SEC DEP SEC FAS(1) AS(JIC) INT SEA M AND IG M DL
FAS(2) PACAM AMSP PPO FAS(3) FAS(4) ICR PIO
DJAKARTA LONDON

SECRET

SECRET

3034/11/161

File No.

110

DEPARTMENT OF EXTERNAL AFFAIRS

Record of Conversation with H.E. Mr A.R. Menzies, High Commissioner for Canada.
 on 11th August, 1969
 Officers Present R.F. Osborn

MAIN SUBJECTS (S):

ANZUS

The High Commissioner called to see me at his request to discuss the ANZUS Council Meeting on 8th August. He had earlier sought to see Mr Eastman who was unavailable during the day.

2. I began by describing to the High Commissioner the physical arrangements for the Meeting, emphasizing the informal nature of the discussions - no set speeches, opportunities for interjections, questions and answers.

VIET NAM

3. I told the High Commissioner that Mr Rogers had said that, when he left the President, the latter had not made a decision about announcing further withdrawals of American forces from Viet Nam nor of the numbers to be involved. Mr Rogers thought that an announcement was likely late in the month. I said that Mr Rogers had agreed on the need to continue to consult with Australia and New Zealand, in particular, with regard to possible force reductions.

4. I said that there was some discussion on the lull in enemy activity in Viet Nam. The Americans had indicated that possible reasons for the lull were attrition as a result of operations of allied forces, the enemy's need to re-train, re-equip and rest his forces or the political tactic aimed at encouraging further American withdrawals. It was possibly a combination of all three but no final conclusion had been arrived at.

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ACTION:

Report prepared by

R.F.O.

(R.F. Osborn)

C O N F I D E N T I A L

CONFIDENTIAL

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LAOS AND CAMBODIA

5. I said that the Secretary of State made it clear that he considered a settlement in Viet Nam would imply a settlement for the whole of Indo-China. He did not look at the problems of Laos and Cambodia separately.

COMMUNIST CHINA

6. I referred to the American description of the relaxation of the United States policy regarding travel to communist China and import into the United States by tourists of goods of communist Chinese origin as "the removal of minor irritants." I said that the Americans appeared to have some similar relaxations in mind for use later and for this, as in other matters, Mr Rogers indicated the Administration's sensitivity to the domestic political effects of its actions. I also mentioned that Americans seemed to feel that their relaxation, although minor, might help to make the United States' position appear less rigid at the United Nations.

7. The High Commissioner asked whether Canada's relations with communist China had been discussed. I said that discussion had occurred only to the extent that it had been agreed that Canada had made little progress so far.

THE SOVIET UNION

8. I said that, contrary to the newspaper speculation in advance of the Meeting, the activities of the Soviet Union in the Indian Ocean had not featured prominently in discussions. The Americans had generally shared our view that the Russians were "showing the flag" as was to be expected of a world power, particularly since they had not done so to any extent in this area in the past. We had agreed however that Soviet activity needed to be watched to see to what extent, if any, it went beyond "showing the flag" and normal trade and diplomatic activity.

JAPAN

9. I told the High Commissioner that Mr Rogers had said that the American attitude to the possible Japanese

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role in Asia in general and South East Asia in particular was that it would be limited to an increasing economic aid policy and continued development of the capacity of its self-defence forces. I said that in the long term Japan's expanded economic stake in stability in South East Asia might be expected to lead to some sort of defense contribution in the area.

INDONESIA

10. I said that Mr Rogers had remarked on the rapport which appeared to exist between President Suharto and Mr Malik. The Americans thought Malik had shown some courage in pushing on with the ascertainment process in West Irian and seemed to believe that handling of the question in the United Nations General Assembly should not be unduly difficult.

11. I told the High Commissioner that our Minister had informed the meeting of the liaison arrangements worked out with the Indonesians in Djajapura and of Australian policy in handling border crossers.

CONFIDENTIAL

Visit of Senator Mansfield

3034/11/16

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CONFIDENTIAL

22. The Chairman of the Senate Foreign Relations Committee and majority leader in the United States Senate, Senator Mansfield, visited Indonesia on 18th August in the course of a visit to a number of South East Asian countries. The American Embassy have told us that Mansfield's primary objective was to gather impressions of the reactions to President Nixon's recent visit and to find out for himself what the Indonesians were thinking. In this sense his visit had been successful as Senator Mansfield "had heard all the same things" from the Indonesians as President Nixon and Secretary of State, William Rogers. The Senator was received by President Soeharto and called on the Acting Foreign Minister, Umar Senoadjic (Minister of Justice) and a number of other prominent Indonesians. The American Embassy commented to us that it was a pity that Foreign Minister Malik was abroad during Senator Mansfield's visit. .../6.

CONFIDENTIAL

A/c S'gram 40 of 22/8/69

UPI-298X

ROGERS 8/6

U R G E N T 急'急'急'

1ST LEAD (UPI-196)

BY BRIAN DEWHURST

DENPASAR, BALI (UPI)--SECRETARY OF STATE WILLIAM ROGERS AND
INDONESIAN FOREIGN MINISTER ADAM MALIK MET HERE LATE WEDNESDAY
FOR THEIR FIRST FORMAL DISCUSSIONS SINCE ROGERS ARRIVED HERE FOR
REST TUESDAY.

ROGERS AND MALIK TALKED FOR 45 MINUTES, PICKING A DISCUSSION WHICH
BEGAN LAST WEEK WHEN ROGERS ACCOMPANIED PRESIDENT NIXON TO DJAKARTA.

THEY TALKED FOUR HOURS DURING NIXON'S VISIT. A U.S. OFFICIAL SAID
AFTER WEDNESDAY'S MEETING THAT THE TWO MEN DISCUSSED THE SINO-
SOVIET DISPUTE AND INCREASING PROBLEMS OF SECURITY IN EAST ASIA.

(MORE)-R/830P/095Y

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UPI-299X

ROGERS 8/6

1ST ADD 1ST LEAD ROGERS DJAKARTA X X X ASIA.

THE OFFICIAL DESCRIBED DISCUSSIONS AS EXTREMELY USEFUL FROM BOTH
THE AMERICAN AND INDONESIAN POINTS OF VIEW. HE ADDED THAT THE UNITED
STATES IS HAPPY WITH INDONESIA'S PRESENT ECONOMIC AND POLITICAL
STABILITY.

SPOKESMEN SAID THAT EARLIER WEDNESDAY UNDERSECRETARY MARSHALL
GREEN TALKED WITH INDONESIAN MILITARY LEADERS AND PROMISED THAT
UNITED STATES WOULD STEP UP SUPPORT TO INDONESIAN MILITARY CIVIC
ACTION PROGRAM. SUCH AID WOULD INCLUDE INTENSE TRAINING PROGRAMS
PLUS REPLACEMENT OF BADLY NEEDED SPARE PARTS FOR MILITARY.

HOWEVER, HE STRESSED THAT INCREASED MILITARY ASSISTANCE WILL NOT
INCLUDE SUPPLYING WEAPONS.

ASSISTANCE PROGRAM WAS NOT MAPPED OUT IN DETAIL.

FOLLOWING UP PRESIDENT NIXON'S PROMISES, ROGERS AND PARTY ARE
PLEDGING THAT UNITED STATES WILL GIVE INCREASING AID AND FINANCIAL
SUPPORT TO INDONESIA'S FIVE-YEAR DEVELOPMENT PROGRAM.

AMERICANS SUGGESTING THAT INDONESIA PUT STRONG EMPHASIS ON SHAPING
UP THE NATION'S AGRICULTURAL OUTPUT SO IT CAN BECOME SELF-SUFFICIENT
IN FOOD PRODUCTION AND THUS SAVE BADLY NEEDED FOREIGN EXCHANGE WHICH
PRESENTLY SPENT ON FOOD IMPORTS.

SPOKESMAN SAID ROGERS EXPECTED THE U.S. CONGRESS WOULD SUPPORT
MOVES FOR UNITED STATES TO CONTINUE PROVIDING ONE-THIRD OF
INDONESIA'S ANNUAL FOREIGN AID REQUIREMENTS OF 500 MILLION U.S.
DOLLARS, EVEN IF THE FIGURE GOES HIGHER.

SPOKESMAN ALSO SAID THAT THE UNITED STATES RESPECTED
INDONESIA'S NON-ALIGNMENT POLICY AND THAT NO MILITARY ALLIANCE
WOULD BE FORMED BETWEEN THE TWO COUNTRIES.

AR/836P/096Y

X

TELEPHONE: (202) 797-3000
TELEGRAPHIC ADDRESS: AUSTEMBA
TELEX: W. U. 089501

1601 MASSACHUSETTS AVE.
WASHINGTON, D. C. 20036



EMBASSY OF AUSTRALIA

CENTRAL REGISTRY
D.E.A.

AUG 25 12 13 PM '69

NDM. INDEX. SUBJECT

IN REPLY QUOTE: 221/11/9

Memorandum No. 986

19th August, 1969.

The Secretary,
Department of External Affairs,
CANBERRA, A. C. T.

ENCLOSURE ATTACHED

3034/11/161

President Nixon's Tour to Indonesia

..3..

Attached, for your information, are three press releases giving the texts of statements made by President Nixon during his tour of Indonesia.

A. F. Dingle
(A. F. Dingle)
First Secretary.

*Mr. Bourdieu to see.
Mr. Burgess.*

FOR IMMEDIATE RELEASE

JULY 28, 1969

OFFICE OF THE WHITE HOUSE PRESS SECRETARY
(Djakarta, Indonesia)

THE WHITE HOUSE

REMARKS OF THE PRESIDENT
UPON DEPARTURE FROM DJAKARTA, INDONESIA
KEMAYORAN INTERNATIONAL AIRPORT

AT 12:24 P.M. Local Time

Mr. President, Mrs. Suharto, all of the distinguished members of the Cabinet, the Diplomatic Corps, and those who are gathered here at the airport today:

This is the third time that I have said goodbye at this airport to the people of this country. As I leave, I leave with the most pleasant memories of a wonderfully warm reception every place that we were. I only wish that we could have stayed longer. I look forward to the time that we can return.

Also, as I leave, I leave with the conviction that the future of this country is in good hands, and that the chances for a great breakthrough for progress, economically, are better than they have ever been before in the history of this country.

I am confident that is the case because of my meetings with the leaders of this nation, and also because of what I have seen insofar as the five-year plan and the other policies that have been adopted by your government, Mr. President. I can only say that the future of Indonesia is, of course, important to the 115 million people who live in Indonesia, but it is also vital to the future of the billions of people who live on this earth and particularly who live in the Pacific and the Asian area, because what happens here will have a dramatic effect on what happens everywhere else.

So we in the United States are proud that we have the opportunity to not only visit your country, but to the extent that you desire, to work with you in building that new future, to work with you always with the idea that we will work together, but always also with the idea that you choose your own way, and you develop your own policies; that there will never be any domination; that there will always be the freedom, the merdeka that means so much to the hearts of all the people of this country.

And, Mr. President, I can say that I am particularly pleased that you may be able to come to the United States. We want you to come on a return visit, at a time that will be convenient for you, and we only hope that we can give you and Mrs. Suharto and the members of your party as warm a welcome, as friendly a welcome, that all of us found everywhere that we were on this visit. I can say, in conclusion, that I have appreciated the great numbers of people that we have seen, and the very friendly signs that we have seen from place to place, some in English and some in your language. I have learned a little of your language while I have been here. One word I learned from you, and I heard it on several occasions. I repeat it as I leave. Hidup, President Suharto. Hidup Indonesian and American friendship.

END

(12:28 P.M. Local Time)

FOR IMMEDIATE RELEASE

JULY 27, 1969

OFFICE OF THE WHITE HOUSE PRESS SECRETARY
(Djakarta, Indonesia)

THE WHITE HOUSE

REMARKS OF THE PRESIDENT
UPON ARRIVAL AT KEMAYORAN
INTERNATIONAL AIRPORT,
DJAKARTA, INDONESIA

AT 2:48 P.M. Local Time

Mr. President, Madam Suharto, Your Excellencies,
ladies and gentlemen:

As I stand here in Djakarta on this beautifully brilliant day, I realize that this is a very special occasion for me and for my wife, and, in a sense, in the relations between our two countries.

It was 16 years ago that I first visited Indonesia, and Indonesia was the first Asian Capital that I visited as Vice President of the United States. I remember the warm welcome we received all over the country on that occasion, and we have always wanted to return.

Then again in 1967, I had the privilege of returning as a private citizen, and at that time, Mr. President, it was my privilege to meet you and to talk to you, and to others in your Government.

Now as I stand here today, I realize that for the first time in history, a President of the United States of America is visiting Indonesia. This is a privilege for me, to be the President at this time -- at this time in the history of our country, of your country, and the history of civilization, because this is a momentous time, a time that we will always remember.

We realize that just a few days ago the first men from Earth set foot on the Moon, and all of our ideas about the Heavens and the limitations that we have on Earth thereby were changed.

We have a saying in our country: The sky is the limit. And up until the time that these two men set foot on the Moon, that was the ultimate that anyone could say -- the sky is the limit.

And now no longer is the sky the limit. Because of what happened -- not simply because two Americans set foot on the Moon, but because two men who represented all mankind, all the people on Earth, set foot on the Moon -- the sky is no longer the limit. And if we can soar beyond the sky, certainly we can find the way to bring peace and progress to those who live beneath the sky on this Earth.

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That is the lesson for all of us of this great adventure in which we have shared.

As I stand here in Indonesia today, I realize what a great part this country will play in that great adventure for the future, not only because it is a major country in Asia and in the Pacific, not only because it is one of the great and most populous democracies in all the world, but because this country has its future before it.

It has a great past -- a past full of tradition, tradition which I was able to see along with Mrs. Nixon when we traveled over the country.

But as one that has moved from Colonial status to independent status, and now looks to the future, as a Nation with great numbers of people, with unbounded natural resources, Indonesia is a Nation that excites the imagination of all the peoples of the world.

Mr. President, I want you to know, the Members of your Government and all the people of your country to know, that the people of the United States wish to share with you in this adventure in progress -- share in this way: We know you want to be independent, and we understand that. We know that you wish to be self-reliant, and we understand that.

We know, too, that there is much in the way of resources that needs to be developed, and to the extent that we and other Nations on a multilateral basis, or a bilateral basis, can be of assistance, we want to play our fair part.

So I look forward to the talks that we will have -- talks that I trust will bring a better understanding between our two countries, between Indonesia and the United States of America -- talks that will promote the cause of peace in the Pacific, and that means in the world -- and talks that, above all, will provide for the future of this great country and of all the countries in the world the progress, the peace, the independence and the right to choose their own way that all people want.

With these thoughts in mind, I thank you again, Mr. President, for your welcoming remarks. It is very good to return for the fourth time to this great country.

Thank you.

END

(AT 2:53 P.M. Local Time)

FOR IMMEDIATE RELEASE

JULY 27, 1969

OFFICE OF THE WHITE HOUSE PRESS SECRETARY
(Djakarta, Indonesia)

THE WHITE HOUSE

TOASTS OF THE PRESIDENT
AT THE STATE DINNER AT
NEGARA PALACE, DJAKARTA,
INDONESIA

AT 9:58 P.M. Local Time

Mr. President, Mrs. Suharto, all of these very distinguished guests this evening:

I first wish to express on behalf of those who are your guests from the United States our grateful appreciation for this beautiful dinner and also for the kind remarks that you have just made about our country, and particularly about our Astronauts whose great feat, as I mentioned earlier today, we considered as one that was beyond the achievement of a Nation, but which belonged to all mankind.

Also, on this occasion I realize that the position that I am in is a unique one -- one that will not come again -- because since I am the first American President ever to pay a State visit to Indonesia, the next American President who comes here will not be in the position I presently find myself in.

Consequently, I would like to respond to your very gracious remarks by trying to relate our policy as I understand it to the hopes and desires of your great people.

You have spoken very properly of the fact that we in many ways have similarities in background; the fact that we both were once colonies and had revolutions.

Ours is older than yours by almost 200 years, but we went through many of the same problems that your Nation has gone through and is going through today. And because we are a Nation that has an immense interest in all the developments in the world, we have followed what has happened in Indonesia. We have followed it because this is one of the major countries of the world. What happens here, the future of the 115 million people of Indonesia, will have an enormous effect on the future of peace in the Pacific and, therefore, on peace in the world.

We, therefore, are interested in Indonesia for that reason, but we are also interested in Indonesia for another one, because those of us who have had the privilege -- a privilege that I have had -- of visiting this country, of knowing your people, realize how rich this country is in its resources and, more important, how rich it is in its people.

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Today, again, we were reminded of that wealth as we visited the Djakarta Fair. We saw many, many people. But we saw represented there, too, all of the country, the customs and the culture of the past, and the diversity of this country which gives it such wealth.

But we saw also the plans for the future -- the exciting five-year plan which your Government has initiated.

As I thought of those things, the past and the plans for the future, I realized that our country is privileged to play a part with you in helping to achieve those plans, those ideals and those goals. I say privileged, because sometimes we think of the assistance that we provide to other countries as being a burden. I do not consider it that way.

As I see it, only when it is mutually helpful to us both is such assistance something that either of us would want.

As I consider Indonesia, and all that it means to peace in the Pacific and in the world, as I consider the possibilities for progress in this country in the years ahead -- possibilities that probably are as exciting as for any nation in the world today -- then I realize that the United States of America should welcome the role of being of some assistance in achieving that goal.

Let me be also quite precise in another respect.

You referred in your remarks to the fact that when our Astronaut first set foot on the Moon that he uttered the historic words that it was: One small step for man and a giant leap for mankind. And so it was.

But you also very appropriately referred to the fact that here on Earth too often the steps for mankind are very, very small, if at all.

That is why, as we consider your country, all the countries of Asia that I will visit, we will be thinking of how those steps can be larger; how they can become, finally, a giant leap for mankind on Earth at a time that we have made a giant leap for mankind in expanding his knowledge beyond the Earth -- toward the Heavens.

MORE

I would like to say in this connection that we have admired, Mr. President, your policies -- admired them because, as we study the history of nations, it can truly be said that while a revolution is very difficult -- difficult and costly in men, in treasure and in lives -- that many times the more difficult part of a nation's development is what comes after a revolution: That hard, daily drudgery of building again after the revolution has necessarily destroyed some of the institutions of the past.

So we see you engaging in that task, you and your colleagues represented in this room today. We saw evidence of it at the fair, and your five-year plan.

I have seen it quite precisely in an issue that we are trying to deal with in the United States. I noted that three years ago Indonesia had one of the highest rates of inflation in the whole world, and today it is one of the lowest.

If you would tell us the secret, that would be very helpful for me to take back to the United States.

But as we look at that achievement, as we look at the stability, the strength, the political stability, the economic stability, that you have provided to this country during the time that you have been present -- you and your colleagues -- we have confidence that Indonesia now is ready to move forward -- move forward with just small steps, but bigger and bigger steps, so that in the end it will mean a giant leap forward.

We want to be with you. We want to assist you in any way that you think is appropriate -- we along with other nations who have the capacity to do so.

For that reason, it is a very great privilege for me to return to this country for the third time, to return in an official capacity as President of my country, and to reaffirm the ties of friendship which sometimes, as you have indicated, have been strained, but which, fortunately, today are very, very strong.

If there is one goal that the Administration, which I now head in Washington, will have, it will be to see that the ties of friendship, cooperation, mutual trust and assistance between Indonesia and America will be stronger and stronger, because this is in our interest as well as in yours. It is in both of our interests because what happens here, as I have indicated earlier, may well determine whether peace and independence survives in the Pacific and, therefore, in the world.

I ask all of you to join me in raising your glasses to the President and Mrs. Suharto, and to the great Indonesian people, to their prosperity, their progress, their independence, and the peace that we will all enjoy.

END . (AT 10:07 p.m., Djakarta Time)

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SFIELD

DJAKARTA, AUG. 18, AAP-REUTER - UNITED STATES SENATE MAJORITY LEADER MIKE MANSFIELD TODAY TALKED WITH INDONESIA'S PRESIDENT SUHARTO FOR 97 MINUTES AT THE MERDEKA (FREEDOM) PALACE.

AFTER THE MEETING SENATOR MANSFIELD WOULD SAY ONLY THAT HE HAD DISCUSSED WITH THE PRESIDENT "VARIOUS PROBLEMS RELATING TO INDONESIAN-UNITED STATES RELATIONS."

HE SAID HE HOPED THE PRIVATE TALK WOULD HELP CEMENT MORE CLOSELY RELATIONS BETWEEN THE TWO COUNTRIES.

THE SENATOR ARRIVED IN INDONESIA FROM MANILA YESTERDAY ON THE SECOND LEG OF A FIVE-NATION ASIAN TOUR WHICH WILL TAKE HIM ON TO RANGOON, BURMA, TOMORROW AND TO VIENTIANE, LAOS, PHNOM PENH, CAMBODIA, AND THEN TO HONGKONG.

THE SENATOR'S VISIT FOLLOWS CLOSELY THOSE BY PRESIDENT NIXON AND SECRETARY OF STATE ROGERS.

AAP-REUTER LRF

3034/11/161

M. Burgess

Mr. Boardman

RAID 98

3034/2/1

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UPI-278X

3074/11/61 *h. B. B. B.*

97

SUHARTO 8/11

DJAKARTA (UPI)--PRESIDENT SUHARTO DID NOT TAKE UP INDONESIA'S
ED OF FOREIGN AID DURING PRIVATE TALKS WITH RECENT VISITOR
U.S. PRESIDENT NIXON, A SPOKESMAN FOR THE CABINET SAID MONDAY.

DJAKARTA NEWSPAPERS REPORTED LAST WEEK THAT SUHARTO ASKED
NIXON THAT THE U.S. GOVERNMENT PROVIDE PART OF THE 650 MILLION
U.S. DOLLARS WHICH INDONESIA WILL NEED FOR ECONOMIC DEVELOPMENT
THIS FISCAL YEAR.

THE CABINET SPOKESMAN SAID SUHARTO MONDAY SUBMITTED TO THE
CABINET HIS REPORT ON HIS PRIVATE TALKS WITH NIXON WHEN THE
U.S. PRESIDENT VISITED HERE FOR SOME 20 HOURS JULY 27 DURING
HIS ASIAN TOUR.

SUHARTO TOLD THE CABINET HE MERELY EXPLAINED TO NIXON
INDONESIA'S VIEWS ON VIETNAM, COMMUNISM, COMMUNIST CHINA AND
OTHER MATTERS BECAUSE THE U.S. PRESIDENT WAS SEEKING POLICY
CONCEPTS OF ASIAN LEADERS ON THESE MATTERS.

REGARDING VIETNAM, SUHARTO TOLD NIXON, ACCORDING TO THE
SPOKESMAN, INDONESIA WANTED THE CONFLICT SETTLED BY THE VIETNAMESE
THEMSELVES, A POLICY THIS COUNTRY HAS ALWAYS HELD.

SUHARTO ALSO SAID INDONESIA WAS WILLING TO SEND A PEACE-
KEEPING FORCE TO VIETNAM BUT ONLY AT THE REQUEST AND FOR THE
UNITED NATIONS, THE SPOKESMAN ADDED.

THE INDONESIAN GOVERNMENT BELIEVES COMMUNISM COULD BE BEST
COUNTERED THROUGH INDIVIDUAL DEVELOPMENT OF ASIAN NATIONS
INSTEAD OF MILITARY ALLIANCES, SUHARTO TOLD NIXON.

COMMUNIST CHINA SHOULD BE ADMITTED INTO THE UNITED NATIONS
DESPITE ITS AGGRESSIVE FOREIGN POLICY, THE SPOKESMAN QUOTED
SUHARTO AS SAYING.

SUHARTO ALSO EXPLAINED THE INDONESIAN COMMUNIST PARTY WOULD
USE ANY POSSIBLE OPPORTUNITY TO SEIZE POWER AS IT TRIED IN
1965.

HE ALSO STRESSED THE IMPORTANT OF MAKING INDONESIA'S CURRENT
FIVE-YEAR DEVELOPMENT PLAN A SUCCESS, SAYING A FAILURE WILL
HEAVILY UNDERMINE THE PEOPLE'S FAITH IN THE GOVERNMENT AND
CREATE A BASIS FOR COMMUNIST AGITATION.

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UPI-154

MANSFIELD 3/15

DJAKARTA (UPI)--U.S. SENATE MAJORITY LEADER MIKE MANSFIELD
PLUNGED INTO A BUSY ONE-DAY SCHEDULE OF BRIEFINGS AND MEETINGS
WITH INDONESIAN LEADERS MONDAY.

THE AMERICAN SENATOR ARRIVED IN BALI SUNDAY MORNING FROM
MANILA, AND SPENT A FEW HOURS RESTING AND TOURING THE FAMOUS
RESORT ISLAND BEFORE FLYING ON TO DJAKARTA SUNDAY EVENING.

MONDAY MANSFIELD WAS TO BE BRIEFED AT THE U.S. EMBASSY. LATER IN
THE MORNING HE WAS SCHEDULED TO PAY A CALL ON INDONESIAN PRESIDENT
SUHARTO AND VISIT THE INDONESIAN FOREIGN MINISTRY.

MONDAY AFTERNOON MANSFIELD PAYS A COURTESY CALL ON THE
SPEAKER OF THE INDONESIAN PROVISIONAL PARLIAMENT.

A U.S. EMBASSY SPOKESMAN TOLD UPI THAT MANSFIELD WOULD NOT
MEET THE PRESS DURING HIS BRIEF INDONESIAN VISIT.

MANSFIELD LEAVES DJAKARTA TUESDAY MORNING FOR RANGOON. AFTER
RANGOON HE FLIES TO VIETIANNE AND THEN CONTINUES ON TO PHNOM PENH
AND THENCE TO HONG KONG.--(UPI)

H-1144A/DJK-B

3034/11/161 *La. Director* 96
1212

UPI-147

ASSISTANCE 8/4
WITH NIXON

DJAKARTA (UPI)-PRESIDENT NIXON PROMISED TO TRY TO GET U.S. CONGRESSIONAL APPROVAL OF A LOAN OF 650 MILLION U.S. DOLLARS FOR INDONESIA NEXT YEAR, THE INDEPENDENT WEEKLY MAGAZINE CHAS REPORTED MONDAY.

GOVERNMENT OFFICIALS DECLINED COMMENT ON THE REPORT.

DAS SAID NIXON MADE THE PLEDGE DURING TALKS WITH PRESIDENT SUHARTO HERE LAST MONDAY.

DAS ALSO SAID THE U.S. GOVERNMENT MAY TRY TO HELP INFLUENCE OTHER WESTERN CREDITOR NATIONS TO ALLOW INDONESIA FURTHER DELAY IN REPAYMENT OF INDONESIAN DEBTS OF SOME 1 BILLION (B) U.S. DOLLARS. INDONESIA ALSO OWES THE COMMUNIST BLOC NATOONS ABOUT 1.4 BILLION (B) U.S. DOLLARS. BOTH DEBTS WERE INCURRED DURING THE REGIME OF FORMER PRESIDENT SUKARNO.-(UPI)

H-1159A/DJK-1

M. B. ... 95
rx A

3034/11/161

3040/11/161

DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

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AMT I.79523
8/8/69 TOD 07.2000 LT
FROM TOR 08.1012 LT
AUSTRALIAN EMBASSY
WASHINGTON

5074 CONFIDENTIAL

ADDRESSED CANBERRA 5074, REPEATED DJAKARTA OP 685,
MANILA OP 686.

UNITED STATES - RELATIONS WITH THE PHILIPPINES AND
INDONESIA.

BOTH THE PHILIPPINES AND INDONESIA COUNTRY DIRECTORS IN
STATE ARE AWAITING MARSHAL GREEN'S RETURN FOR BRIEFINGS
ON THE SUBSTANCE OF NIXON'S DISCUSSIONS WITH MARCOS AND SUHARTO.
THEY SAY THERE HAS BEEN ALMOST NO REPORTING FROM THEIR
EMBASSIES ON THE TOP LEVEL DISCUSSIONS AND ONLY A LIMITED
AMOUNT ON THE OFFICIAL TALKS.

THE INDONESIA COUNTRY DIRECTOR (MASTERS) HAS NOTHING
FURTHER TO ADD AT THIS STAGE TO THE COMMENTS HE MADE TO
US ON 31ST JULY (REPORTED IN OUR TELEGRAM 4874 TO CANBERRA).

2. THE PHILIPPINES COUNTRY DIRECTOR (USHER) TOLD US ON
6TH AUGUST THAT NIXON HAD APPARENTLY TALKED TO MARCOS ABOUT THE
FUTURE POSTURE OF THE UNITED STATES IN ASIA AND THAT THE
PHILIPPINES HAD TAKEN CAREFUL NOTE OF THE STATEMENTS MADE
BY NIXON THAT ASIAN NATIONS WOULD BE ENCOURAGED TO ASSUME
GREATER DEFENCE RESPONSIBILITIES AND THAT INCREASING
EMPHASIS WOULD BE PLACED ON THE CONCEPT OF SELF HELP.

3. ON THE BASIS OF FILIPINO PRESS AND OTHER REPORTS
USHER THOUGHT THAT THE PHILIPPINES WERE APPREHENSIVE ABOUT
THE FUTURE OF UNITED STATES-PHILIPPINES RELATIONS AND
WERE INTERPRETING NIXON'S STATEMENTS AS MEANING AN END
TO THE SPECIAL RELATIONSHIP AS THEY DEFINED IT.

../2

CONFIDENTIAL

CONFIDENTIAL

DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

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CONFIDENTIAL

.2.

I.79523

THE FACT THAT THE FILIPINOS HAD BEEN SPURRED TO
RE-EXAMINE THEIR RELATIONS WAS ALL TO THE GOOD.
HOPEFULLY IT WOULD LEAD THEM TO TAKE A MORE RESPONSIBLE
VIEW OF THE RELATIONS.

MIN AND DEPT E.A.
MIN AND DEPT DEFENCE
D.C.O.
P.MS

CONFIDENTIAL

SEC DEP SEC FAS(1) AS(JIC) INT SEA M AND IO M DL FAS(2)
PACAM AMSP PPO
DJAKARTA MANILA

Yellowing
BYROADE 8/11
WITH NIXON UPI-046
SAN CLEMENTE, CALIFORNIA (UPI)---PRESIDENT NIXON WANTS +MODERNIZE+
PHILIPPINE-AMERICAN RELATIONS U.S. AMBASSADOR HENRY BYROADE
SAID MONDAY. *3040/11/161* *H. Bowdler* *TO* *1-21A* *92*

BYROADE SAID AFTER A MEETING IN SAN CLEMENTE WITH NIXON
THAT THE PRESIDENT HAD SPOKEN TO HIM +OF HIS DESIRE TO BUILD A
NEW RELATIONSHIP WITH THE PHILIPPINES--ONE THAT COULD BE DURABLE
THROUGHOUT THE YEARS AND EQUALLY AND MUTUALLY ADVANTAGEOUS TO BOTH
OF OUR TWO NATIONS.+

+AS I LISTENED TO HIM, I THINK ONE COULD ALMOST USE THE WORD
'MODERNIZE' IN THE TERMS OF OUR RELATIONSHIP,+ BYROADE SAID.

+HE REALIZES, OF COURSE, THE NECESSITY OF THE MOST
CAREFUL REVIEW IN SO DOING--AND THAT NO CHANGE SHOULD BE SOUGHT MERELY
FOR THE SAKE OF CHANGE.

+CERTAINLY EVERY ASPECT OF OUR RELATIONS IN THE PAST THAT
HAS PROVEN VALUABLE TO OUR TWO SOVEREIGN NATIONS SHOULD BE
RETAINED, INDEED CHERISHED AND NOURISHED.

+EVERY CHANGE MUST BE CAREFULLY WEIGHED BY EACH OF US TO
INSURE THAT IT WILL SERVE WELL THE LONG-TERM INTERESTS OF BOTH
OF US,+ BYROADE SAID.

BYROADE, A FORMER ARMY OFFICER AND FORMER AMBASSADOR TO BURMA,
SAID HE FELT HONORED TO BE APPOINTED AMBASSADOR TO THE PHILIPPINES.
HE IS DUE TO ARRIVE IN MANILA ON AUG. 19. --(UPI)

3040/11/161

Re. Brander

1-212

PHILIPPINES 8/8
HONG KONG (UPI)--A PEKING RADIO COMMENTARY FRIDAY CHARGED THAT THE UNITED STATES WAS RESPONSIBLE FOR THE ECONOMIC DIFFICULTIES OF THE PHILIPPINES. 91

THE COMMUNIST CHINESE COMMENTARY BLAMED +UNEQUAL TREATIES+ BETWEEN THE TWO COUNTRIES AND SAID THESE ENABLED THE UNITED STATES TO CONTROL +THE ECONOMIC SPINE+ OF THE PHILIPPINES.

+ALL THESE UNEQUAL TREATIES HAVE TURNED THE PHILIPPINES INTO A MARKET FOR AMERICAN GOODS. THEY HAVE DAMAGED THE NATIONAL ECONOMY OF THE PHILIPPINES.

+THE AMERICANS CONTROL THE MOST IMPORTANT ECONOMIC AND FINANCIAL AREAS. THEY LEND MONEY TO THE COUNTRY BUT WITH VERY HIGH INTEREST.+

THE COMMUNIST COMMENTARY ALSO SAID, +THE CRIMES COMMITTED BY U.S. IMPERIALISM IN THE PHILIPPINES HAS MADE THE PEOPLE RISE UP IN STRUGGLE TO FIGHT AGAINST THE U.S. IMPERIALISTS.+

AL/10:31A/HK-12

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287
BYROADE 8/7

3040/11/161

L. Bruderi
1-217
90

WASHINGTON (UPI)--AMBASSADOR HENRY BYROADE SAID WEDNESDAY NIGHT THAT HE WILL ARRIVE IN MANILA AUGUST 17 TO ASSUME HIS DUTIES AS U.S. AMBASSADOR TO THE PHILIPPINES.

BYROADE AND HIS WIFE WERE GUESTS OF HONOR AT A BLACK-TIE DINNER GIVEN BY PHILIPPINE AMBASSADOR AND MRS. ERNESTO V. LAGDAMEO AT THE EMBASSY RESIDENCE.

BYROADE TOLD UPI HE WILL LEAVE WASHINGTON FRIDAY FOR CALIFORNIA.

+I WILL MEET WITH PRESIDENT NIXON THERE MONDAY AND ALSO HAVE TALKS WITH HENRY KISSINGER BEFORE PROCEEDING TO HONOLULU,+ HE SAID.

THE FORMER AMBASSADOR TO BURMA SAID HE WOULD STAY IN HAWAII FOR SEVERAL DAYS TO CONFER WITH OFFICIALS AT THE HEADQUARTERS OF THE COMMANDER IN CHIEF OF THE PACIFIC (CINCPAC).

+THEN I WILL GO TO HONGKONG FOR A FEW DAYS TO BUY SOME CLOTHES AND RELAX A BIT BEFORE PROCEEDING TO MANILA,+ HE SAID.

BYROADE SAID THAT BECAUSE THE PHILIPPINES IS IN THE MIDST OF A PRESIDENTIAL CAMPAIGN, HE WOULD MAKE NO COMMENTS ON POLICY MATTERS TO THE PRESS UNTIL AFTER HE HAS PRESENTED HIS CREDENTIALS TO PRESIDENT FERDINAND E. MARCOS.

ALTHOUGH THE SENATE CONFERRED LATE INTO THE EVENING ON THE ANTI-BALLISTIC MISSILE LEGISLATION, SENATE MAJORITY LEADER MIKE MANSFIELD, DEMOCRAT-MONTANA, AND SENATOR VANCE HARTKE, REPUBLICAN-INDIANA, ATTENDED THE EMBASSY DINNER.

ALSO PRESENT WAS CONGRESSMAN LESTER L. WOLFF, DEMOCRAT NEW YORK, A MEMBER OF THE HOUSE FOREIGN AFFAIRS COMMITTEE.

FORMER AMBASSADOR TO THE PHILIPPINES G. MENNEN WILLIAMS WAS ALSO PRESENT. WILLIAMS, WHO ALSO SERVED AS ASSISTANT SECRETARY OF STATE FOR AFRICAN AFFAIRS FOR FIVE YEARS, SAID HE IS WRITING A BOOK ON U.S. POLICY IN AFRICA.

+I WILL START READING THE PAGE PROOFS NEXT WEEK, AND IT WILL BE PUBLISHED SHORTLY AFTER THAT,+ WILLIAMS SAID.--(UPI)-
PC/1222P/UPI-204W

3040/11/161

DEPARTMENT OF EXTERNAL AFFAIRS

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INWARD CABLEGRAM

AP

I.80127

10/8/69

TOD 09.1245 LT

FROM

TOR 10.0302 LT

AUSTRALIAN EMBASSY
WASHINGTON

5122 CONFIDENTIAL

PRESIDENT NIXON'S TOUR.

OUR ENQUIRIES THROUGHOUT THIS WEEK HAVE CONFIRMED THE GENERAL LINES OF THE PRELIMINARY ANALYSIS OF THE PRESIDENT'S PRESS BRIEFING AT GUAM AS SET OUT IN OUR TELEGRAM 4755.

INFORMATION ON SPECIFIC DISCUSSIONS BETWEEN THE PRESIDENT AND ASIAN LEADERS REMAINS LARGELY UNAVAILABLE.

THIS SITUATION SEEMS LIKELY TO CONTINUE UNTIL REPORTS FROM THE PRESIDENT AND KISSINGER REACH OFFICIALS AND UNTIL AFTER SECRETARY ROGERS AND MARSHALL GREEN RETURN TO WASHINGTON.

WE REALISE THAT AUSTRALIAN MINISTERS WILL HAVE BEEN BRIEFED ON THE EARLIER PART OF MR NIXON'S TOUR BY SECRETARY OF STATE ROGERS.

THE FOLLOWING IS BASED ON COMMENTS BY HOLDRIDGE (KISSINGER'S PRINCIPAL ASSISTANT FOR ASIAN AFFAIRS) AND OFFICIALS AT THE STATE DEPARTMENT.

WE WILL REPORT FURTHER AS SOON AS ADDITIONAL MATERIAL BECOMES AVAILABLE.

2. IN A GENERAL DISCUSSION YESTERDAY ABOUT THE SOUTH EAST ASIAN SECTION OF THE TRIP, HOLDRIDGE SAID THAT THE FIRST POINT TO MAKE ABOUT THE GUAM PRESS BRIEFING WAS THAT THE PRESIDENT HAD BEEN EXTREMELY TIRED AT THE TIME.

THE SECOND POINT WAS THAT IN THE VIEW OF THE WHITE HOUSE STAFF, THE NEW YORK TIMES REPEAT NEW YORK TIMES ACCOUNT OF THE BRIEFING WAS MORE DRAMATIC AND STARK IN ITS TERMS, PARTICULARLY IN RESPECT OF 'NO MORE VIETNAMS', THAN THE PRESIDENT'S ACTUAL LANGUAGE WARRANTED.

(IN THE ABSENCE OF ANY PUBLISHED TRANSCRIPT WE ARE NOT IN A POSITION TO JUDGE THE ACCURACY OF THE ACCOUNT GIVEN BY THE NEW YORK TIMES).

PARTLY BECAUSE OF THE PRESS HANDLING, THE THAIS IN PARTICULAR HAD BEEN WORRIED AND RESTIVE ABOUT THE IMPLICATIONS OF THE PRESIDENT'S REMARKS FOR THEIR FUTURE SECURITY.

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CONFIDENTIAL

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DEPARTMENT OF EXTERNAL AFFAIRS

INWARD CABLEGRAM

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CONFIDENTIAL

CONFIDENTIAL

TO MEET THIS SITUATION AND TO GIVE A BETTER PERSPECTIVE, KISSINGER HAD GIVEN TWO PRESS 'BACKGROUND' CONFERENCES AT BANGKOK.

THESE HAD BEEN DESIGNED TO REASSURE THE THAIS THAT WHILST THE PRESIDENT HAD SPOKEN OF A THREAT BY A MAJOR POWER INVOLVING NUCLEAR WEAPONS, THE U.S. RESPONSE TO SITUATIONS SHORT OF THIS WOULD BE RELATED TO THE IMPORTANCE OF THE PARTICULAR COUNTRY CONCERNED TO THE DEFENCE AND SECURITY OF THE AREA.

IN THE CASE OF THAILAND, IF THE NORTH VIETNAMESE FLOWED ACROSS LAOS INTO THAILAND, THIS WOULD BE A SERIOUS SITUATION AND ONE WHICH THE UNITED STATES WOULD NOT IGNORE.

HOLDRIDGE SAID THAT THE THAIS AS A RESULT HAD BEEN CONSIDERABLY REASSURED.

IN RESPONSE TO OUR QUESTIONS ABOUT THE TRANSCRIPT OF THESE BRIEFINGS, HOLDRIDGE SAID THAT HE UNDERSTOOD THEY WOULD BE SHOWN TO YOU IN CANBERRA.

HE DID NOT ANSWER A SIMILAR QUESTION ABOUT THE GUAM TRANSCRIPT AND IT SEEMS LIKELY THAT THIS WILL BE DIFFICULT TO OBTAIN.

3. HOLDRIDGE SPOKE BRIEFLY ABOUT VIETNAM AND THE PRESIDENT'S STATEMENT THAT 'WE HAVE GONE AS FAR AS WE CAN OR SHOULD GO'.

HOLDRIDGE SAID THAT THE PRESIDENT HAD BEEN AT PAINS TO REASSURE THE SOUTH VIETNAMESE AND OTHER ASIAN LEADERS THAT THE UNITED STATES WOULD MAINTAIN ITS RESOLVE UNTIL SUCH TIME AS THE VIETNAMESE THEMSELVES ARE ABLE TO MAKE THEIR OWN CHOICE.

THE PRESIDENT, HE SAID, WOULD NOT CUT AND RUN.

4. WE HAD SOME DISCUSSION ABOUT 'THE GREY AREA' BETWEEN CLEAR INTERNAL SUBVERSION FOR WHICH THE ASIAN COUNTRY CONCERNED WOULD BE RESPONSIBLE AND A THREAT BY A NUCLEAR POWER.

HOLDRIDGE SAID THAT APART FROM KISSINGER'S BACKGROUND BRIEFINGS IN BANGKOK, THE 'SPECIFICS' IN THIS AREA HAD NOT BEEN THOUGHT THROUGH.

THE BROAD POLICY OUTLINE WAS REASONABLY CLEAR BUT LITTLE OF THE DETAILS HAD BEEN FILLED IN.

5. WE RAISED WITH HOLDRIDGE THE RELATIONSHIP BETWEEN THE PRESIDENT'S ASIAN POLICY AS EXPRESSED DURING THE TOUR AND THE MAINTENANCE OF A CREDIBLE CONVENTIONAL DETERRENT CAPABILITY IN ASIA.

MIGHT NOT THE GENERAL 'OFF-SHORE' CAST OF THE POLICY LEAD TO AN UNDERMINING OF THE CREDIBILITY OF WESTERN POWER IN ASIA AND POSSIBLY TO A 'SLIDE' IN THE WESTERN POSITION ON THE ASIAN MAINLAND?

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DEPARTMENT OF EXTERNAL AFFAIRS

INWARD CABLEGRAM

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HOLDRIDGE DID NOT RESPOND OTHER THAN TO RECALL THE ADMINISTRATION'S RESOLVE TO RELATE ITS RESPONSE IN OVERT SECURITY SITUATIONS INVOLVING EXTERNAL AGGRESSION TO THE IMPORTANCE OF THE COUNTRY UNDER ATTACK OR THE DEFENCE AND SECURITY OF THE AREA.

(MRS COLBERT, WHO HAS BEEN ACTING DIRECTOR, INR EAST ASIAN AND THE PACIFIC, SINCE HOLDRIDGE'S TRANSFER TO THE WHITE HOUSE, IN RESPONSE TO A SIMILAR QUESTION SAID TO US YESTERDAY THAT ONE OF THE MAIN PROBLEMS IN DEVELOPING U.S. POLICY IN ASIA, WAS THE TENDENCY OR DESIRE OF THE U.S. MILITARY LEADERSHIP TO PROJECT THE FUTURE IN TERMS OF BLACK AND WHITE.

IT WAS DIFFICULT FOR THEM TO PLAN IN A FLEXIBLE WAY FOR THE RANGE OF POLITICAL SITUATIONS WHICH THE STATE DEPARTMENT FORESAW AS POSSIBLY DEVELOPING.

ALTHOUGH MRS COLBERT DID NOT COMMENT FURTHER, HER REMARKS SEEM TO CARRY AN INFERENCE THAT THE MILITARY COULD BE EXPECTED TO PRESS FOR PLANNING TO MEET CLEAR CUT SITUATIONS UNDER WHICH A COMMITMENT MIGHT BE OPERATIVE AND THAT IN THE PROCESS FLEXIBILITY AND THE CAPABILITY FOR MEETING INSURGENCY SITUATIONS MIGHT BE CONSIDERABLY REDUCED).

6. HOLDRIDGE SPOKE OF THE ECONOMIC PROGRESS OF THE SOUTH-EAST ASIAN REGION AND ITS CAPABILITY TO DO MORE IN ITS OWN DEFENCE AND INTEREST.

IN THAILAND, IN PARTICULAR, U.S. INVOLVEMENT IN FUTURE WOULD BE MUCH MORE CIRCUMSPECT.

REFERRING TO FUTURE AID ACTIVITY, HOLDRIDGE SAID THAT MULTILATERAL ARRANGEMENTS ALWAYS SOUND GOOD BUT ARE DIFFICULT IN PRACTICE TO CARRY THROUGH.

MENTIONING THE PRESIDENT'S REFERENCE TO THE IMPORTANCE OF DEVELOPMENT IN COMBATING SUBVERSION, HOLDRIDGE SAID THE SCALE OF THE U.S. AID EFFORT WOULD BE UP TO CONGRESS.

MIN AND DEPT E.A.
MIN AND DEPT DEFENCE
D.C.O.
PM'S

SEC DEP SEC FAS(1) INT AS(JIC) SEA MANDI M DL FAS(2)
UN PACAM EA AMSP FAS(3) ER FAS(4) EAMEC E ICR PIO

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AUSTRALIAN EMBASSY

DJAKARTA

221/5/2

In reply quote No. 221/4

Memorandum No. 1034

5th August, 1969

AUG 8 1 49 PM '69

HOM. INDEX. SUBJECT

The Secretary,
Department of External Affairs,
CANBERRA. A.C.T. 2600.

PRESIDENT NIXON'S VISIT

The Chairman of the Foreign Affairs Committee of the Indonesian Parliament, Mr. Imron Rosjadi, has told me that when he met Dr. Henry Kissinger during the recent visit to Djakarta, Kissinger said with some emphasis that there should be more co-operation between Indonesia and Australia and, more specifically, that the Foreign Affairs Committee of the Indonesian Parliament and the Foreign Affairs Committee of the Australian Parliament should "get together".

2. I asked Mr. Rosjadi whether he thought Dr. Kissinger knew what co-operation already existed between Australia and Indonesia in various fields. Rosjadi said he had told Kissinger that he had himself been in Australia recently. I asked whether he had told Kissinger that he and his Australian opposite number, Senator Cormack, had had a long exchange of views only a month or so ago. Rosjadi said he had not mentioned that, Dr. Kissinger had done all the talking and he had understood Dr. Kissinger to be arguing that his Committee should play some sort of role in seeking more help from Australia for Indonesia. I had the impression that Rosjadi felt he had been rather overwhelmed by Kissinger in what was probably only a brief conversation and that while this amused him he felt quite pleased that Kissinger had taken the line he did.

F. R. Dalrymple
(F. R. Dalrymple),
Minister

cc. Australian Embassy,
Washington.

Mr. Osborn to see

CONFIDENTIAL

MR. BYRGESS



AUSTRALIAN EMBASSY

DJAKARTA

CENTRAL REGISTRY

D.E.A.

In reply quote No. 22/5/2

Memorandum No. 1029

AUG 6 11 43 AM '69

1st August, 1969

NOH. INDEX. 3034/11/161

The Secretary,
Department of External Affairs,
CANBERRA. A.C.T. 2600.

PRESIDENT NIXON'S VISIT

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ENCLOSURES ATTACHED
....

We attach copies of speeches made by
President Nixon and President Soeharto on the
occasions of the former's arrival and
departure in Indonesia, and at the State
Banquet.

F. R. Dalrymple
(F. R. Dalrymple)
Minister

MR ~~Burgess~~



UNITED STATES INFORMATION SERVICE

4. MEDAN MERDEKA SELATAN DJAKARTA. PHONE: 40001

84

7/1/69

PRESS RELEASE

July 27, 1969

UNOFFICIAL TRANSLATION

SPEECH BY H.E. PRESIDENT SOEHARTO WELCOMING THE
ARRIVAL OF PRESIDENT RICHARD M. NIXON AT KEMAJORAN
AIRPORT ON JULY 27, 1969

Mr. President and Mrs. Nixon,

First of all, in my own name, on behalf of the Government of the Republic of Indonesia and the entire Indonesian people, I bid all of you a hearty welcome.

This day and the last few days have been of great historic value to the relations between the United States and Indonesia, for the American people themselves and for the future of mankind.

Today, for the first time, an American President is visiting the Republic of Indonesia, although this visit is not the first one for Your Excellency.

A few days ago, the brave American astronauts were the first men to land on the Moon, and they have now safely returned to Earth. Once again, in my own name and on behalf of the Indonesian people, I express my sincere congratulations, and, as a citizen of the nations of the world, I, too, feel proud of the extraordinary success of the American people. I am convinced that actually the intent of the United States and other nations trying to explore outer space is part of an effort to achieve greater happiness for mankind in a peaceful world.

I am also convinced that the visit of Your Excellency to this country and several other countries, is also intended to pave the way toward achieving the welfare of mankind and strengthening the foundations of peace.

We are familiar with the United States, not only as the richest country of the world today, not only for its extraordinary technological achievements, but first of all as a people with an inborn love of the ideal of equality among all nations.

As a free nation we are also extremely grateful and deeply impressed by the fact that the United States is among the nations which were aware of our national aspirations at the time we proclaimed the independence of the Republic of Indonesia almost a quarter of a century ago.

At this time, we are now beginning the carrying out of planned development, as a continuation of the fulfillment of our freedom. We very much appreciate that at this difficult time, while we begin our development, the United States as one of the friendly countries -- once again -- has shown its understanding and given assistance very much needed by Indonesia.

(more)

Honorable Mr. President:

In this visit, hopefully Your Excellency will be able to see from close by the sincerity of the desire and effort of the people of Indonesia to develop their future. I also hope that the meetings that we have later will constitute a highly valuable opportunity to exchange thoughts concerning problems and initiatives in bringing about world peace and broader general welfare; especially since at this time, the nations of our world, particularly in Asia, are concerned about war, the threat of war and dangers to world peace. We all, without exception, are responsible for safeguarding mankind.

It is my hope, and I am sure Your Excellency's intent also, that this important visit will constitute a new page that will deepen mutual understanding, tighten our friendship, and broaden the cooperation between our two countries.

We welcome Your Excellency and Mrs. Nixon, together with your group, with open hearts and all friendship. I hope Your Excellency will enjoy yourself as long as you are among the people of Indonesia in our homeland.

Thank you.

(President Soeharto)

JULY 27, 1969

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OFFICE OF THE WHITE HOUSE PRESS SECRETARY
(Djakarta, Indonesia)

THE WHITE HOUSE

REMARKS OF THE PRESIDENT
UPON ARRIVAL AT KEMAYORAN
INTERNATIONAL AIRPORT,
DJAKARTA, INDONESIA

AT 2:48 P.M. Local Time

Mr. President, Madam Suharto, Your Excellencies,
ladies and gentlemen:

As I stand here in Djakarta on this beautifully brilliant day, I realize that this is a very special occasion for me and for my wife, and, in a sense, in the relations between our two countries.

It was 16 years ago that I first visited Indonesia, and Indonesia was the first Asian Capital that I visited as Vice President of the United States. I remember the warm welcome we received all over the country on that occasion, and we have always wanted to return.

Then again in 1967, I had the privilege of returning as a private citizen, and at that time, Mr. President, it was my privilege to meet you and to talk to you, and to others in your Government.

Now as I stand here today, I realize that for the first time in history, a President of the United States of America is visiting Indonesia. This is a privilege for me, to be the President at this time -- at this time in the history of our country, of your country, and the history of civilization, because this is a momentous time, a time that we will always remember.

We realize that just a few days ago the first men from Earth set foot on the Moon, and all of our ideas about the Heavens and the limitations that we have on Earth thereby were changed.

We have a saying in our country: The sky is the limit. And up until the time that these two men set foot on the Moon, that was the ultimate that anyone could say -- the sky is the limit.

And now no longer is the sky the limit. Because of what happened -- not simply because two Americans set foot on the Moon, but because two men who represented all mankind, all the people on Earth, set foot on the Moon -- the sky is no longer the limit. And if we can soar beyond the sky, certainly we can find the way to bring peace and progress to those who live beneath the sky on this Earth.

MORE

That is the lesson for all of us of this great adventure in which we have shared.

As I stand here in Indonesia today, I realize what a great part this country will play in that great adventure for the future, not only because it is a major country in Asia and in the Pacific, not only because it is one of the great and most populous democracies in all the world, but because this country has its future before it.

It has a great past -- a past full of tradition, tradition which I was able to see along with Mrs. Nixon when we traveled over the country.

But as one that has moved from Colonial status to independent status, and now looks to the future, as a Nation with great numbers of people, with unbounded natural resources, Indonesia is a Nation that excites the imagination of all the peoples of the world.

Mr. President, I want you to know, the Members of your Government and all the people of your country to know, that the people of the United States wish to share with you in this adventure in progress -- share in this way: We know you want to be independent, and we understand that. We know that you wish to be self-reliant, and we understand that.

We know, too, that there is much in the way of resources that needs to be developed, and to the extent that we and other Nations on a multilateral basis, or a bilateral basis, can be of assistance, we want to play our fair part.

So I look forward to the talks that we will have -- talks that I trust will bring a better understanding between our two countries, between Indonesia and the United States of America -- talks that will promote the cause of peace in the Pacific, and that means in the world -- and talks that, above all, will provide for the future of this great country and of all the countries in the world the progress, the peace, the independence and the right to choose their own way that all people want.

With these thoughts in mind, I thank you again, Mr. President, for your welcoming remarks. It is very good to return for the fourth time to this great country.

Thank you.

END

(AT 2:53 P.M. Local Time)



UNITED STATES INFORMATION SERVICE

4. MEDAN MERDEKA SELATAN DJAKARTA. PHONE: 40001

72/69

PRESS RELEASE

July 27, 1969

(Embargo: not to be released before 2200 Djakarta time,
July 27, 1969)

UNOFFICIAL TRANSLATION

SPEECH BY PRESIDENT SOEHARTO AT STATE BANQUET
HONORING PRESIDENT RICHARD M. NIXON
ON JULY 27, 1969 AT NEGARA PALACE

Your Excellency President Nixon, Mrs. Nixon, Honored Guests,
Ladies and Gentlemen:

It is an honor for me tonight to have this banquet honoring the President of the United States of America. Behind the formal character of the state banquet at this time, the presence of the Heads of our two states represents and symbolizes the friendship of our two countries.

Excellency!

Although Your Excellency's visit to Indonesia is not the first -- as I said this afternoon -- Your Excellency's visit is quite important to us and to the relations between our two countries. Besides being the first visit of a President of the United States of America to Indonesia, this visit also coincides with the first stages of our Five Year Development Program. Let us hope that during this visit Your Excellency will be able to observe the differences and changes in the situation and spirit of the Indonesian people now, as compared with that of two years ago.

Our development indeed has a simple target. Not because the Indonesian people do not cherish high ideals, but because we have to realize the fact that our capacity is limited. This is not a complaint, but a fully responsible awareness. The reality and existing capacity are still far short of those ideals. Through planned and staged development, the entire Indonesian people are working hard in order to change the reality of under-development that presently shackles us, and to strive toward those high ideals.

Food, clothing, infrastructure, housing for the people, increased employment opportunities and mental welfare are priority targets in our Five Year Development Program. Their aim is to raise the standard of living of our people and nation and at the same time to lay a strong foundation for further stages of development.

In the last two or three years we have fastened our belts a bit tighter and we have rolled up our sleeves, we have thought hard and we have sweated, so that now we have managed to create the foundations for future development on the sad ruins of the past, full not only of neglected economic problems but also of ideological and political aberrations which had their climax in the September 30 Movement/PKI revolt in 1965, which fortunately with God's good grace was crushed by the Indonesian people themselves.

(more)

We still believe in the success of great works in future development, because in the past we have been successful with our great struggle, full of suffering in the past, in establishing the independence of the Republic of Indonesia, which has its foundation in the strong political ideology of the Pantjasila.

As was also the case with the American people about two centuries ago, this national independence was our initial capital and the greatest honor that we experienced. With this national independence we must be able to achieve physical and mental welfare for our 115 million Indonesian people -- which each year increases -- from Sabang to Merauke, and with a national way of life which is democratic in the political and economic field, based on Pantjasila. Our national aspirations are even wider than the borders of our own home land. As a member of the large family of nations, we also feel responsible for achieving genuine world peace, in an atmosphere that is friendly, full of mutual respect, and cooperation among all nations truly leading toward welfare for all mankind.

We cannot ignore our responsibility toward the world, but in order to be able to contribute effectively to the great efforts for peace in this world, we must be strong internally, we must have the national capacity to persevere in all fields: ideological, political socio-economic and defense-security. What we are doing now is concentrating on our economic strength, which indeed is really urgent. Our other duties, national as well as international, are carried out in line with our capacity in this economic field.

Your Excellency, Honored Guests,

Our world today seems to be enveloped in sharply contradictory situations and facts; the one moving towards destruction and the other towards welfare. On one hand the spirit of nationalism and independence flourishes in all its strength; on the other, there are still the appetites of ambitious world powers imposing their will on other nations. On one side people voice peace; on the other, the sounds of limited war are thundering and the threat of war causes feelings of fright and unrest. On one hand there are the many countries which -- because they are underdeveloped -- have to start developing their nations, but because they lack the means they must work extremely hard while the results are slow; on the other hand, money, power and other means in a far greater proportion are thrown into an arms race which can clearly bring about a disaster.

Mankind's inner being actually chooses peace and welfare. But there seems to be a chasm dividing the peoples of this earth.

A combination of efficiency, advanced technology, financial capacity and extraordinary courage has taken the American astronauts to the Moon.

The great distance in space and the precarious trip has now been accomplished by man. But it is an irony that the spiritual distance between those who live upon this Earth is still wide, sometimes widening. The gap separating the more advanced nations and those who are less developed is still wide open. On the one hand, there are nations living prosperously (materially) with all kinds of computers; on the other hand, there are millions of other people living with worry about the next day, working with their shovels and axes, and there are even those who are still living in the Stone Age.

(more)

Your Excellency;

The historical statement of astronaut Armstrong, as he -- the first man -- set foot on the Moon, was well said, indeed: That is "a small step for a man, but a giant leap for mankind." This giant leap has occurred in space and in outer space, which is vast and full of secrets, but it has not yet occurred on our Earth, which now seems to be getting narrower and relatively simpler.

Banners of all nations, the symbols of peace and the unity of mankind have now been taken to the Moon. The duty of all nations on Earth is the realization of this peace and unity.

I am sure that your present trip to our country, and also to other countries with different kinds of social and political systems, will constitute a step toward this world peace, to bring more closely together the spiritual relations among nations, to overcome the barrier caused by prejudice and misunderstanding, to establish cooperation more firmly among nations, in order to fill the widening gap between the more advanced nations and those who still must develop, with a more balanced prosperity.

Yesterday, all mankind watched with apprehension and prayers for the well-being of the American astronauts. Today, the world is watching carefully Your Excellency's steps during the trip, the further steps of the great American nation.

Your Excellency the President;

During our struggle for independence in the year 1945, we were inspired by the spirit and ideas of American independence. During the years of our patriotic war for independence, slogans such as "a government of the people, by the people, for the people"; "for the sake of life, liberty and the pursuit of happiness," were written everywhere: on the walls, on train carriages, on vehicles, from this capital of Djakarta to the villages; and were planted in the depths of our hearts. I notice the similarity between the American Declaration of Independence and the Preamble of the Indonesian Constitution of 1945. Both contained pledges and the sacred determination of our respective independent and responsible nations, to ourselves as well as to the world.

The relationship between our two countries indeed was once in a state of tension, even quite bad during the past several years. Fortunately those periods are past. We have together opened a new page in friendly relations full of hope.

I hope that the visit of Your Excellency this time constitutes a high point in the manifestation of our friendship, mutual understanding and cooperation between our two countries, both for the benefit of our two countries and for the welfare of all mankind. We will not stop at this high point because there is still so much to do, and our goals are still far off.

On this occasion, on behalf of the Indonesian people, I would also like to express great appreciation for the understanding and concrete assistance shown to us by the government and people of the United States of America. Such assistance has been invaluable in efforts toward developing the Indonesian economy.

Once again I welcome Your Excellency and your party. This visit is a great honor to us.

May I finally propose to all of you a toast to the health and happiness of Your Excellency and Mrs. Nixon, and to the well-being and greatness of the American people.

Thank you.

*** **



FOR IMMEDIATE RELEASE

JULY 27, 1969

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OFFICE OF THE WHITE HOUSE PRESS SECRETARY
(Djakarta, Indonesia)

THE WHITE HOUSE

TOASTS OF THE PRESIDENT
AT THE STATE DINNER AT
NEGARA PALACE, DJAKARTA,
INDONESIA

AT 9:58 P.M. Local Time

Mr. President, Mrs. Suharto, all of these very distinguished guests this evening:

I first wish to express on behalf of those who are your guests from the United States our grateful appreciation for this beautiful dinner and also for the kind remarks that you have just made about our country, and particularly about our Astronauts whose great feat, as I mentioned earlier today, we considered as one that was beyond the achievement of a Nation, but which belonged to all mankind.

Also, on this occasion I realize that the position that I am in is a unique one -- one that will not come again -- because since I am the first American President ever to pay a State visit to Indonesia, the next American President who comes here will not be in the position I presently find myself in.

Consequently, I would like to respond to your very gracious remarks by trying to relate our policy as I understand it to the hopes and desires of your great people.

You have spoken very properly of the fact that we in many ways have similarities in background; the fact that we both were once colonies and had revolutions.

Ours is older than yours by almost 200 years, but we went through many of the same problems that your Nation has gone through and is going through today. And because we are a Nation that has an immense interest in all the developments in the world, we have followed what has happened in Indonesia. We have followed it because this is one of the major countries of the world. What happens here, the future of the 115 million people of Indonesia, will have an enormous effect on the future of peace in the Pacific and, therefore, on peace in the world.

We, therefore, are interested in Indonesia for that reason, but we are also interested in Indonesia for another one, because those of us who have had the privilege -- a privilege that I have had -- of visiting this country, of knowing your people, realize how rich this country is in its resources and, more important, how rich it is in its people.

MORE



Today, again, we were reminded of that wealth as we visited the Djakarta Fair. We saw many, many people. But we saw represented there, too, all of the country, the customs and the culture of the past, and the diversity of this country which gives it such wealth.

But we saw also the plans for the future -- the exciting five-year plan which your Government has initiated.

As I thought of those things, the past and the plans for the future, I realized that our country is privileged to play a part with you in helping to achieve those plans, those ideals and those goals. I say privileged, because sometimes we think of the assistance that we provide to other countries as being a burden. I do not consider it that way.

As I see it, only when it is mutually helpful to us both is such assistance something that either of us would want.

As I consider Indonesia, and all that it means to peace in the Pacific and in the world, as I consider the possibilities for progress in this country in the years ahead -- possibilities that probably are as exciting as for any nation in the world today -- then I realize that the United States of America should welcome the role of being of some assistance in achieving that goal.

Let me be also quite precise in another respect.

You referred in your remarks to the fact that when our Astronaut first set foot on the Moon that he uttered the historic words that it was: One small step for man and a giant leap for mankind. And so it was.

But you also very appropriately referred to the fact that here on Earth too often the steps for mankind are very, very small, if at all.

That is why, as we consider your country, all the countries of Asia that I will visit, we will be thinking of how those steps can be larger; how they can become, finally, a giant leap for mankind on Earth at a time that we have made a giant leap for mankind in expanding his knowledge beyond the Earth -- toward the Heavens.

MORE



Page 3

I would like to say in this connection that we have admired, Mr. President, your policies -- admired them because, as we study the history of nations, it can truly be said that while a revolution is very difficult -- difficult and costly in men, in treasure and in lives -- that many times the more difficult part of a nation's development is what comes after a revolution: That hard, daily drudgery of building again after the revolution has necessarily destroyed some of the institutions of the past.

So we see you engaging in that task, you and your colleagues represented in this room today. We saw evidence of it at the fair, and your five-year plan.

I have seen it quite precisely in an issue that we are trying to deal with in the United States. I noted that three years ago Indonesia had one of the highest rates of inflation in the whole world, and today it is one of the lowest.

If you would tell us the secret, that would be very helpful for me to take back to the United States.

But as we look at that achievement, as we look at the stability, the strength, the political stability, the economic stability, that you have provided to this country during the time that you have been present -- you and your colleagues -- we have confidence that Indonesia now is ready to move forward -- move forward with just small steps, but bigger and bigger steps, so that in the end it will mean a giant leap forward.

We want to be with you. We want to assist you in any way that you think is appropriate -- we along with other nations who have the capacity to do so.

For that reason, it is a very great privilege for me to return to this country for the third time, to return in an official capacity as President of my country, and to reaffirm the ties of friendship which sometimes, as you have indicated, have been strained, but which, fortunately, today are very, very strong.

If there is one goal that the Administration, which I now head in Washington, will have, it will be to see that the ties of friendship, cooperation, mutual trust and assistance between Indonesia and America will be stronger and stronger, because this is in our interest as well as in yours. It is in both of our interests because what happens here, as I have indicated earlier, may well determine whether peace and independence survives in the Pacific and, therefore, in the world.

I ask all of you to join me in raising your glasses to the President and Mrs. Suharto, and to the great Indonesian people, to their prosperity, their progress, their independence, and the peace that we will all enjoy.

(AT 10:07 p.m., Djakarta Time)



UNITED STATES INFORMATION SERVICE

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4, MEDAN MERDEKA SELATAN DJAKARTA. PHONE: 40001

76/69

PRESS RELEASE

July 29, 1969

PRESIDENT NIXON SAYS FAREWELL TO INDONESIA

DJAKARTA -- Following is the text of President Nixon's statement delivered at Kemajoran Airport Monday, July 28, before his departure for Bangkok:

(Begin text)

Mr. President, Mrs. Soeharto, all of the distinguished members of the cabinet, the diplomatic corps, and those who are gathered here at the airport today:

This is the third time that I have said goodbye at this airport to the people of this country. As I leave, I leave with the most pleasant memories of a wonderfully warm reception every place that we were. I only wish that we could have stayed longer. I look forward to the time that we can return.

Also, as I leave, I leave with the conviction that the future of this country is in good hands, and that the chances for a great breakthrough for progress, economically, are better than they have been before in the history of this country.

I am confident that is the case because of my meetings with the leaders of this nation, and also because of what I have seen insofar as the five-year plan and the other policies that have been adopted by your government, Mr. President. I can only say that the future of Indonesia is, of course, important to the 115 million people who live in Indonesia, but it is also vital to the future of the billions of people who live on this Earth and particularly who live in the Pacific and the Asian area, because what happens here will have a dramatic effect on what happens every place else.

So we in the United States are proud that we have the opportunity to not only visit your country, but to the extent that you desire, to work with you in building that new future, to work with you always with the idea that we will work together, but always also with the idea that you choose your own way, and you develop your own policies that there will never be any domination; that there will always be the freedom, the merdeka that means so much to the hearts of all the people of this country.

And, Mr. President, I can say that I am particularly pleased that you may be able to come to the United States. We want you to come on a return visit, at a time that will be convenient for you, and we only hope that we can give you and Mrs. Soeharto and the members of your party as warm a welcome, as friendly a welcome, that all of us found every place that we were on this visit.

I can say, in conclusion, that I have appreciated the great numbers of people that we have seen, and the very friendly signs that we have seen from place to place, some in English and some in your language. I have learned a little of your language while I have been here. One word I learned from you, and I heard it on several occasions. I repeat it as I leave. Hidup, President Suharto, hidup Indonesian and American friendship.

*** **

FAREWELL ADDRESS BY H.E. PRESIDENT SOEHARTO
TO H.E. PRESIDENT NIXON
KEMAYORAN AIRPORT ON 28 JULY, 1969

Your Excellency Mr. President and Mrs. Nixon,
Distinguished members of the Presidential
party.

In a few moments you are leaving Indonesia.

Although your visit is very brief, you have,
nonetheless, left us with a profound impression.

You have held discussions with leaders of
Indonesia, you have also had the opportunity to mingle
among the people of the capital and talked with some of
them. I am sure that you have a clearer picture on our
ideals, on our views with regard world problems in
general, as well as on our current issues, on our working
programmes and our firm determination in building a
better future.

The frank discussion held in an understanding
atmosphere, the desire to enhance friendly relations in
a sincere and straightforward manner, are indeed very
fruitful to us.

I greatly value your comprehension with regard
to our identity. On behalf of the people of Indonesia,
I would like also to express our appreciation to the
United States of America, which is constantly disposed to
assist us in building our future, in harmony with our
principles, aspirations and our own ways.

This mid-20th century is characterised by the
emergence of nations having their own identities. Every
nation which has earlier gained independence should
understand and accept this reality. One cannot evade
this obligation because it constitutes a guarantee to
world peace.

Mr. President,

On this occasion I would like to express my
thanks for your kind invitation to visit the United
States of America. God willing, I will gladly honour it
on an appropriate time.

You have added some pillars to the "bridge"
of friendly relations between our two countries; it is
our common duty to foster and strengthen it further.
We should launch on it a closer co-operation, beneficial
to both our countries, which may contribute to the
welfare of a new South East Asia, to world peace and to
the prosperity of mankind.

2..

I wish, with your intermediary, Mr. President, to extend a warm greeting from the people of Indonesia to the great people of America. The whole people of Indonesia and I personally wish you and Mrs. Nixon a great success in your journey to other countries, and a safe homecoming in the United States of America.

Have a nice trip and till we meet again,
May God the Almighty perpetually bless all
mankind.

Djakarta.
28 July, 1969



CONFIDENTIAL

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AUSTRALIAN EMBASSY
DJAKARTA

CENTRAL REGISTRY
D.E.A.

In reply quote No. 221/5/2
Memorandum No. 1042

AUG 6 1 44 PM '69

NOM. INDEX. SUBJECT

5th August, 1969

3034/11/161

The Secretary,
Department of External Affairs,
CANBERRA. A.C.T. 2600.

UNITED STATES MILITARY ASSISTANCE
TO INDONESIA

ATTACHED With reference to our cable No. 2093,
we attach Colonel Sharp's report on the
United States military assistance to
Indonesia.

F. R. Dalrymple
(F. R. Dalrymple),
Minister

Wend 28/8

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AUSTRALIAN EMBASSY
DJAKARTA

In reply quote No. 1020/12

Memorandum No. 1045

5 Aug 69

Mr DALRYMPLE

AMERICAN MILITARY ASSISTANCE PROGRAMME
INDONESIA

1. Under the terms of an Inter-Governmental Agreement between the UNITED STATES OF AMERICA and the REPUBLIC of INDONESIA dated 14 April 1967 (Copy attached), the present-day Military Assistance Programme exists solely for the purpose of assisting the Indonesian Armed Forces in Civic Action projects.
2. The programme is administered by a Defence Liaison Group with its headquarters in the Embassy complex in Djalan Merdeka Selatan, DJAKARTA. The strength of the DLG is 13 personnel. Head of DLG is Colonel FULTON who recently replaced Colonel ROYE.
3. The Indonesian officer in charge of Civic Action (Civic Mission) in the Indonesian Army is Maj Gen HARTONO, Deputy II (Administration) to the Army Commander. In overall charge of Civic Mission for all the Armed Forces is AVM SRI BIMA, Department of Defence and Security.
4. Under the agreement, the Military Assistance Programme does not provide any money to the Indonesian government. All assistance is in the form of:-
 - a. Training.
 - b. Hardware.
5. Training provided for Indonesian personnel, in AMERICA and in INDONESIA, is designed to teach skills and

/...impart

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impart knowledge required by them for implementing Civic Mission tasks. For example:-

- a. Training in plant operation.
 - b. Instruction in cataloguing, stores accounting, warehouse management and so on.
 - c. Medical training.
 - d. Provision of text-books.
6. The type of hardware provided is that which can be used for Civic Mission tasks, such as road graders, tractors, dozers, drills, cranes, scoops, jacks, axes, shovels and so on. Provision of hardware is made on the basis of bringing up to entitlement the equipment of certain units (in the Army, mainly, the five Construction Engineer Battalions and the five Combat Engineer Battalions) and to supplying spare parts for the equipment, tools etc provided.
7. In broad outline, the decision to provide hardware for the Army is made through the following channels:-
- a. Requests for equipment etc are directed through Indonesian Army channels to the office of Maj Gen HARTONO at Army Headquarters.
 - b. Maj Gen HARTONO's office evaluates the requests and passes them to HANKAM (Department of Defence and Security).
 - c. DLG assesses the requests as received from Department of Defence and Security, using the following criteria:-
 - (1) Can the Indonesian unit concerned physically undertake the tasks for which the equipment is required?
 - (2) Are the tasks for which required useful to the economic and social development of INDONESIA?
 - (3) Is the equipment already available within INDONESIA?
 - (4) Are funds available for allocation?
 - d. DLG puts the requirement to WASHINGTON.
8. At the present time the bulk of Military Assistance is in support of the 5-Year Development Plan.
9. The greatest problem faced by the DLG is in evaluating whether or not training and/or equipment requested by the Indonesian Services is of the type that can be used for military operations. In some cases there is a clear cut definition - for example, plant such as road-

/...graders

CONFIDENTIAL

graders. In some requests there are "grey" areas - for example, outboard motors for light craft, spare parts for aircraft and so on. If DLG assesses that the equipment or training requested is of the kind that has a direct application to military operations, the request is not met.

10. One of the difficulties faced by DLG is in policing the use of hardware to ensure it is being used for the stated purpose. There is a tendency for equipment to be sidetracked into tasks which bring remuneration to the owners, e.g. hiring out vehicles to private firms. Another difficulty is ensuring that equipment is maintained in good working order; Indonesians are inclined to adopt a carefree attitude towards equipment they receive as "handouts", believing that the easiest way to operate the generous system is to use the equipment without any maintenance whatever until it falls apart or seizes up with rust, and then ask for a new one. A further problem is in getting the Indonesians to receive, process and put to use the hardware delivered to the docks; it is a constant headache for DLG to police the clearance of equipment from the wharf to the user - hard work is not a popular activity in INDONESIA.
11. I am told by my American colleague that Mr ADAM MALIK is a keen supporter of the MAP in its present form and is strongly against it being expanded to include assistance in the form of provision of warlike equipment. Any such expansion of the programme would in any case necessitate a new government-to-government agreement, or an amendment to the existing one.

Derek G. Sharp Colonel
(D.G. SHARP)
Military Attache

CONFIDENTIAL

Minister for Foreign Affairs
Republic of Indonesia

Djakarta, April 14, 1967.

Excellency:

I have the honour to acknowledge receipt of your note dated April 14, 1967 which reads as follows:

"I have the honor to refer to recent discussions between representatives of our two governments concerning the provision by the United States Government of certain types of military assistance to the Republic of Indonesia.

The United States Government is prepared to furnish the Government of Indonesia military equipment, materials, and service as may be requested by the Government of Indonesia and agreed to by the United States Government for a program of civic action. Such military assistance will be provided for activities helpful to the economic and social development of Indonesia. I propose that such assistance be provided on the following terms:

(1) The Government of Indonesia will not without the consent of the United States Government allow articles provided under this agreement to be used by unauthorized personnel transferred to other ownership, or used for purpose other than that for which furnished.

(2) To the extent articles may be classified, the Government of Indonesia will provide substantially, the same security protection as provided by the United States Government.

(3) The Government of Indonesia will permit observation and review and provide necessary information to the United States Government with regard to the use of the articles.

(4) Unless the United States Government consents to other disposition, the Government of Indonesia will if requested return to the United States Government articles no longer needed for the purpose for which furnished.

(5) The Government of Indonesia will, except as otherwise agreed to, grant duty-free treatment to products, materials or equipment imported into or exported from its territory in connection with this agreement.

(6) The Government of Indonesia agrees to receive personnel of the United States Government who will discharge in the territory of Indonesia the responsibilities of the United States Government under this agreement. Such personnel will, in their relationships with the Government of Indonesia, operate as part of the Embassy of the United States of America under the direction and control of the Chief of the Diplomatic Mission and will have the same privileges

and...

Minister for Foreign Affairs
Republic of Indonesia

and immunities as are accorded other personnel in the Embassy of the United States of America.

(7) The Government of Indonesia will make available to the United States Government suitable housing and office space for use of personnel required in connection with assistance furnished under this agreement.

(8) The Government of Indonesia will make available to the United States Government rupiah for use of the latter government for its administrative and operating expenses within Indonesia in connection with assistance furnished to the Government of Indonesia under this agreement.

If these terms are acceptable to the Government of the Republic of Indonesia, I have the honor to propose that this Note and Your Excellency's Note in reply concurring therein shall constitute an agreement between our two governments, which shall enter into force on the date of Your Excellency's reply".

I confirm that the foregoing provisions are acceptable to the Government of the Republic of Indonesia and that your note of April 14, 1967 and this reply thereto, constitute an agreement between our two Governments on this subject.

Accept, Excellency the assurances of my highest consideration.

MINISTER FOR FOREIGN AFFAIRS
REPUBLIC OF INDONESIA,

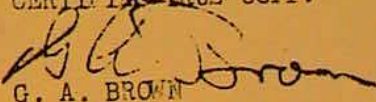
(ADAM MALIK).-

Received:

The Honorable MARSHALL GREEN

Ambassador Extraordinary and
Plenipotentiary for the United States
of America.

CERTIFIED TRUE COPY:


G. A. BROWN
LCDR, USN
Admin Officer, USDLG Indonesia

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AUSTRALIAN EMBASSY
DJAKARTA

3034/11/161
CENTRAL REGISTRY
D.E.A.

AUG 4 3 13 PM '69

NON-INDEX SUBJECT

In reply quote No. 221/5/2

Memorandum No. 1028

1st August, 1969.

The Secretary,
Department of External Affairs,
CANBERRA. A.C.T. 2600.

PRESIDENT NIXON'S VISIT

ENCLOSURES ATTACHED

Please refer to our memorandum 1001
of 25th July and subsequent reports on this
subject.

2. Mr R. Slutz, First Secretary at the
American Embassy, Djakarta, gave us an account
on 30th July of the Minister level talks during
President Nixon's visit to Djakarta on 27th/
28th July. Attached is a record of conversation
of what Slutz told us. It should be read in
conjunction with the Record of Conversation
attached to our memorandum 1001.

E. Burtmanis

(E. Burtmanis)
Second Secretary.

Amund 28/8

CONFIDENTIAL

MR BURGESS

RECORD OF CONVERSATION

Subjects: President Nixon's Visit to
Discussed: Djakarta.

Slutz said that the Presidents had had two sets of discussions, one with Ambassadors present and the second only with President Soeharto's interpreter. Slutz did not know what had transpired at these talks as Ambassador Galbraith had not yet briefed the Embassy. The official talks between Secretary Rogers and Foreign Minister Malik and their respective delegations had consisted of two two-hour sessions.

2. The Americans had come to Indonesia with no specific proposals and as they and the Indonesians had felt that there were no problems to settle between their countries, the talks could be described as "a broad exchange of views". Slutz said that one of Nixon's primary objectives during this Asian tour (and this applied particularly in the case of Indonesia) was to meet and establish personal contact with the leaders of a number of important countries. Nixon, who was interested in Indonesia and had been here before, considered Indonesia a "key country" in South East Asia.

3. The subjects discussed at the Malik-Rogers talks had concentrated on Vietnam and regional security. A number of other topics had been raised briefly - the Middle East, Brezhnev's proposals for a collective security system in Asia, the Indian Ocean and debt rescheduling. In all these nothing new had been said by either side. West Irian was mentioned by the Indonesians in the context of looking beyond the Act of Free Choice and the need to develop the territory. The Indonesians did not request any military aid. Nor did they seek increased economic aid this year. Aid was touched upon only in context of rebuilding Indonesia's economy in overall general terms.

.../2.

4. Malik outlined Indonesia's position on Vietnam saying that Indonesia remained of the opinion that the Vietnamese must ultimately work out their own problems and construct their own political system without foreign interference or the presence of foreign troops on Vietnamese soil. Indonesia thus remained in favour of withdrawal of American forces. Indonesia appreciated, however, that the prevailing conditions were such that this could take some time and Malik went to pains to stress his hope that the United States would not withdraw precipitately and would tailor withdrawal of their forces so that this was carefully phased and did not alter dramatically the status quo in South East Asia. Ultimately the Vietnamese would need to seek their own political accommodations. Malik said he assumed that that would mean some kind of participation by the N.L.F. in a South Vietnamese Government. (Comment: Malik's remarks are consistent with what General Soepardjo told us on 24th July - see our memorandum 1001).

5. Secretary Rogers, gave a detailed explanation of what the United States had done over the last one and a half years in its search for peace in Vietnam, making the point that the United States had offered Hanoi virtually every concession suggested to the United States by other interested and responsible governments. The flexibility, which the United States had been assured would follow in Hanoi's position as a result of each of these concessions, had not materialised. The United States would continue in a search for a just peace. In reply to questions from Rogers about Indonesian preparedness to play a part in security arrangements in Vietnam following a settlement, Malik had simply repeated that Indonesia would be prepared to consider any request made by the United States. Slutz commented that his understanding was that Malik was particular that any United Nations peace-keeping force should have the full support in the United Nations of the Soviet Union as well as the United States and that Indonesia would not be prepared to go into any such exercise without that condition being met.

6. Malik spoke briefly about regional security from the point of view of national strength. As far as Indonesia was concerned Malik said that he had no evidence that the

3.

Soviet Union was engaged in significant subversion in this country. However there was evidence that Peking was continuing to support subversion in Indonesia. As long as this continued there was a continuing need for building up the capacity of Indonesia to resist Communist subversion as quickly as possible. Indonesia was attempting to do this by strenuous efforts in the economic field, was grateful for the assistance she had so far received but would need continuing assistance "at a level of \$500-\$600 million per year for several years".

7. Rogers gave Malik a clear assurance that the United States "would honour all its existing treaty commitments in the area". He concurred with Malik's overall view that subversion could in the end be handled effectively only by the countries concerned with their national resources. The countries of South East Asia, including Vietnam, would need to accept a greater share of the burden in looking after themselves. The United States was willing to play its part in this process by indirectly contributing to increasing the capabilities of South East Asian countries to resist subversion. In some cases this contribution was taking the form of military assistance as in Vietnam and Thailand. Rogers also gave Malik an assurance that the United States would continue to play its part in assisting Indonesia with economic aid. The Brezhnev proposals were touched on by the Indonesians, with both sides recording the fact that they were not able to elucidate what the Russians had in mind due to lack of specific details.

8. Commenting on the Indian Ocean and the British withdrawal, Malik said that Indonesia was aware of the Soviet presence in the Indian Ocean and of course of United States activity. The Indonesians would prefer there to be no outside forces in the Ocean but realities being what they were, they did not want an escalation of big power presence. Malik repeated to Rogers Indonesia's known stand of no objection to Australian forces in Malaysia and Singapore but stressed the same view he had put to Mr Freeth in April that Indonesia did not want "any other forces" there.

4.

9. Malik spoke about Japan along familiar lines and was critical of "the way not the fact" of Japanese aid giving in South East Asia and the way in which Japanese aid seemed so often to be concerned only with the promotion of Japanese commercial interests.

10. Nothing new emerged on the Middle East or on debt rescheduling. Malik expressed concern at the deterioration of relations between Israel and the Arab States, set out Indonesia's position as being in line with Security Council resolutions, but urged the United States to continue to make great efforts with the other big powers in search of a solution. Malik sought American reactions to Abs' report on Indonesia's debt rescheduling but, according to Slutz, the Americans replied in very general terms without saying anything specific. But Barnett referred to the importance of the principle of non-discrimination in treatment of the Communist and Western creditors.

11. Malik mentioned West Irian saying that the Act of Free Choice was being conducted but that Indonesia needed to look forward to the problems of development she would be faced with in that territory. Indonesia intended to approach the Asian Development Bank for assistance to West Irian. She also hoped to see the number of donor countries increased either through I.G.G.I. or in bilateral ways.

12. Slutz said that they were well satisfied with the visit (Nixon and Soeharto had seemingly got on well together) and the talks as a whole which had served the Americans' purpose of a broad exchange of views.

Report prepared by

E. Burtmanis
(E. Burtmanis)
Second Secretary.



CONFIDENTIAL

62

AUSTRALIAN EMBASSY

DJAKARTA

221/5/2

In reply quote No.

Memorandum No. 1028

1st August, 1969.

The Secretary,
Department of External Affairs,
CANBERRA. A.C.T. 2600.

PRESIDENT NIXON'S VISIT

Please refer to our memorandum 1001
of 25th July and subsequent reports on this
subject.

2. Mr R. Slutz, First Secretary at the
American Embassy, Djakarta, gave us an account
on 30th July of the Minister level talks during
President Nixon's visit to Djakarta on 27th/
28th July. Attached is a record of conversation
of what Slutz told us. It should be read in
conjunction with the Record of Conversation
attached to our memorandum 1001.

EB

(E. Burtmanis)
Second Secretary.

CONFIDENTIAL

RECORD OF CONVERSATION

Subjects: President Nixon's Visit to
Discussed: Djakarta.

Slutz said that the Presidents had had two sets of discussions, one with Ambassadors present and the second only with President Soeharto's interpreter. Slutz did not know what had transpired at these talks as Ambassador Galbraith had not yet briefed the Embassy. The official talks between Secretary Rogers and Foreign Minister Malik and their respective delegations had consisted of two two-hour sessions.

2. The Americans had come to Indonesia with no specific proposals and as they and the Indonesians had felt that there were no problems to settle between their countries, the talks could be described as "a broad exchange of views". Slutz said that one of Nixon's primary objectives during this Asian tour (and this applied particularly in the case of Indonesia) was to meet and establish personal contact with the leaders of a number of important countries. Nixon, who was interested in Indonesia and had been here before, considered Indonesia a "key country" in South East Asia.

3. The subjects discussed at the Malik-Rogers talks had concentrated on Vietnam and regional security. A number of other topics had been raised briefly - the Middle East, Brezhnev's proposals for a collective security system in Asia, the Indian Ocean and debt rescheduling. In all these nothing new had been said by either side. West Irian was mentioned by the Indonesians in the context of looking beyond the Act of Free Choice and the need to develop the territory. The Indonesians did not request any military aid. Nor did they seek increased economic aid this year. Aid was touched upon only in context of rebuilding Indonesia's economy in overall general terms.

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4. Malik outlined Indonesia's position on Vietnam saying that Indonesia remained of the opinion that the Vietnamese must ultimately work out their own problems and construct their own political system without foreign interference or the presence of foreign troops on Vietnamese soil. Indonesia thus remained in favour of withdrawal of American forces. Indonesia appreciated, however, that the prevailing conditions were such that this could take some time and Malik went to pains to stress his hope that the United States would not withdraw precipitately and would tailor withdrawal of their forces so that this was carefully phased and did not alter dramatically the status quo in South East Asia. Ultimately the Vietnamese would need to seek their own political accommodations. Malik said he assumed that that would mean some kind of participation by the N.L.F. in a South Vietnamese Government. (Comment: Malik's remarks are consistent with what General Soepardjo told us on 24th July - see our memorandum 1001).

5. Secretary Rogers, gave a detailed explanation of what the United States had done over the last one and a half years in its search for peace in Vietnam, making the point that the United States had offered Hanoi virtually every concession suggested to the United States by other interested and responsible governments. The flexibility, which the United States had been assured would follow in Hanoi's position as a result of each of these concessions, had not materialised. The United States would continue in a search for a just peace. In reply to questions from Rogers about Indonesian preparedness to play a part in security arrangements in Vietnam following a settlement, Malik had simply repeated that Indonesia would be prepared to consider any request made by the United States. Slutz commented that his understanding was that Malik was particular that any United Nations peace-keeping force should have the full support in the United Nations of the Soviet Union as well as the United States and that Indonesia would not be prepared to go into any such exercise without that condition being met.

6. Malik spoke briefly about regional security from the point of view of national strength. As far as Indonesia was concerned Malik said that he had no evidence that the

Soviet Union was engaged in significant subversion in this country. However there was evidence that Peking was continuing to support subversion in Indonesia. As long as this continued there was a continuing need for building up the capacity of Indonesia to resist Communist subversion as quickly as possible. Indonesia was attempting to do this by strenuous efforts in the economic field, was grateful for the assistance she had so far received but would need continuing assistance "at a level of \$500-\$600 million per year for several years".

7. Rogers gave Malik a clear assurance that the United States "would honour all its existing treaty commitments in the area". He concurred with Malik's overall view that subversion could in the end be handled effectively only by the countries concerned with their national resources. The countries of South East Asia, including Vietnam, would need to accept a greater share of the burden in looking after themselves. The United States was willing to play its part in this process by indirectly contributing to increasing the capabilities of South East Asian countries to resist subversion. In some cases this contribution was taking the form of military assistance as in Vietnam and Thailand. Rogers also gave Malik an assurance that the United States would continue to play its part in assisting Indonesia with economic aid. The Brezhnev proposals were touched on by the Indonesians, with both sides recording the fact that they were not able to elucidate what the Russians had in mind due to lack of specific details.

8. Commenting on the Indian Ocean and the British withdrawal, Malik said that Indonesia was aware of the Soviet presence in the Indian Ocean and of course of United States activity. The Indonesians would prefer there to be no outside forces in the Ocean but realities being what they were, they did not want an escalation of big power presence. Malik repeated to Rogers Indonesia's known stand of no objection to Australian forces in Malaysia and Singapore but stressed the same view he had put to Mr Freeth in April that Indonesia did not want "any other forces" there.

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12. Slutz said that they were well satisfied with the visit (Nixon and Soeharto had seemingly got on well together) and the talks as a whole which had served the Americans' purpose of a broad exchange of views.

Report prepared by

EB

(E. Burtmanis)
Second Secretary.

3034/11/161
57

DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

HRM

I.77572

02/8/69

TOD 02.0805 LT

FROM

TOR 02.1312 LT

AUSTRALIAN EMBASSY
DJAKARTA

2065 CONFIDENTIAL

ADDRESSED CANBERRA 2065, REPEATED WASHINGTON 22.

PRESIDENT NIXON'S VISIT

FROM INDONESIAN SIDE VISIT IS FELT TO HAVE BEEN SATISFACTORY.

IN OFFICIAL AND PRESS COMMENT DURING AND SINCE PRESIDENT'S VISIT THERE HAS BEEN NO SUGGESTION OF PIQUE ABOUT ITS BREVITY, AND ALTHOUGH VISIT AROUSED NO PARTICULAR POPULAR INTEREST OR ENTHUSIASM, MR NIXON AND HIS PARTY MANAGED TO CONVEY AN IMPRESSION OF GENUINE INTEREST IN INDONESIA AND OF LIVELY AWARENESS OF ITS SIZE AND IMPORTANCE.

THE INDONESIANS FOR THEIR PART TOOK ADVANTAGE OF OCCASION TO REHEARSE AGAIN THEIR VIEWS ON THE PRIME IMPORTANCE OF THEIR ECONOMIC DEVELOPMENT AND TO TALK SOMEWHAT MORE POINTEDLY THAN PREVIOUSLY ABOUT RESPONSIBILITIES OF RICH NATIONS TO POOR.

(SEE PRESIDENT SUHARTO'S STATE BANQUET SPEECH - TEXTS IN TODAY'S BAG).

2. FOREIGN OFFICE (SUPARDJO) HAVE TOLD US THAT THERE WERE TWO PRESIDENTIAL DISCUSSIONS.

THE FIRST WAS QUITE BRIEF, IMMEDIATELY AFTER ARRIVAL, AND WAS PRINCIPALLY TAKEN UP WITH AN ACCOUNT BY PRESIDENT SUHARTO OF THE REPELITA PLANS AND OBJECTIVES AND A STATEMENT OF THE IMPORTANCE OF INDONESIA'S DEVELOPMENT EFFORT.

PRESIDENT NIXON REPLIED IN TERMS OF HIS SYMPATHETIC INTEREST AND GAVE AN ASSURANCE THAT THE UNITED STATES WOULD CONTINUE TO PLAY ITS PART IN HELPING INDONESIA'S DEVELOPMENT.

NOTHING SPECIFIC WAS ASKED FOR OR OFFERED.

THE SECOND DISCUSSION WAS DEVOTED TO AN EXPOSITION BY PRESIDENT NIXON ON VIRTUALLY IDENTICAL LINES TO THOSE OF HIS IRIAN STATEMENT AND TO AN EXPLANATION BY PRESIDENT SUHARTO IN REPLY OF INDONESIA'S POSITION, ON LINES REPORTED IN OUR 2002, REGARDING INDONESIA'S PRESENT INABILITY TO CONTRIBUTE TO REGIONAL SECURITY AND OF HER PREOCCUPATION WITH ECONOMIC DEVELOPMENT FOR THE PERIOD AHEAD.

ACCORDING TO SUPARDJO REFERENCES IN PRESIDENTIAL TALKS TO VIETNAM AND OTHER SPECIFIC MATTERS WERE ONLY OF VERY GENERAL NATURE.

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INWARD CABLEGRAM

3. SUPARDJO SAID THAT THE DISCUSSIONS BETWEEN MR MALIK AND SECRETARY ROGERS AND THEIR RESPECTIVE OFFICIALS, WHICH HAD BEEN HELD CONCURRENTLY WITH THE PRESIDENTIAL LEVEL TALKS, HAD PRODUCED NOTHING NEW ON EITHER SIDE, BUT HAD BEEN A VERY USEFUL INTRODUCTION FOR THE BALI MEETING NEXT WEEK.

AS SUPARDJO HAD FORESHADOWED TO US BEFORE THE VISIT, MR MALIK HAD MADE IT CLEAR IN A DISCREET WAY THAT, WITHOUT PREJUDICE TO INDONESIA'S PUBLIC POLITICAL POSITION ON VIETNAM, IT WAS HOPED THAT THE AMERICAN WITHDRAWAL WOULD BE CAREFULLY PHASED SO AS NOT TO THROW REGION INTO DISARRAY.

BUT AT THE SAME TIME THERE WAS AN EXPLICIT STATEMENT THAT THE QUESTION OF TIMING OF WITHDRAWAL WAS A POLITICAL DECISION FOR THE UNITED STATES ALONE.

ACCORDING TO SUPARDJO, SECRETARY OF STATE SHOWED FULL APPRECIATION OF THE INDONESIAN POSITION AND EMPHASIZED SERIOUS INTENTION OF PRESIDENT'S STATEMENTS ABOUT STANDING BY EXISTING TREATY COMMITMENTS.

MALIK ALSO EXPLAINED INDONESIA'S CAUTIOUS POSITION ON CONTRIBUTING TO A U.N. SPONSORED FORCE IN VIETNAM AFTER A SETTLEMENT.

4. SUPARDJO SAYS THAT THERE WERE THE BEGINNINGS OF A VERY INTERESTING EXCHANGE OF VIEWS ON CHINA WHICH HE HOPED WOULD BE FOLLOWED UP IN BALI.

MALIK HAD EXPLAINED IN SOME DETAIL THAT INDONESIA FELT STRONGLY THAT STEPS MUST BE TAKEN TO END CHINESE ISOLATION IF AT ALL POSSIBLE BUT THAT, FOR OBVIOUS INTERNAL REASONS, THERE WAS NOTHING WHICH INDONESIA HERSELF COULD DO ABOUT THIS FOR THE TIME BEING AT LEAST.

ROGERS HAD SHOWN MUCH INTEREST IN THIS AND THERE HAD BEEN SOME QUITE NON-COMMITTAL PASSING REFERENCES TO GENERAL ASSEMBLY RESOLUTIONS.

SUPARDJO AVOIDED TELLING US WHAT SECRETARY ROGERS SAID ON THIS SUBJECT BUT HE HAS FORMED A STRONG IMPRESSION THAT EITHER IN A SPEECH TO THE GENERAL ASSEMBLY OR IN THE STATE OF THE UNION MESSAGE, PRESIDENT NIXON WILL ANNOUNCE OR AT LEAST FORESHADOW SOME HIGHLY SIGNIFICANT CHANGES IN UNITED STATES POLICY TOWARDS CHINA.

HE IS EVIDENTLY HOPEFUL THAT MORE WILL BE LEARNED ABOUT THIS AT THE BALI TALKS.

5. BOTH SUPARDJO AND EMIL SALIM OF BAPPENAS HAVE TOLD US IN SEPARATE CONVERSATIONS THAT INDONESIANS TOOK OPPORTUNITY TO SOUND AMERICANS ABOUT ABS' PROPOSALS, ESPECIALLY IN LIGHT OF INDICATIONS THEY HAD HAD OF ADVERSE JAPANESE REACTION.

THE AMERICAN RESPONSE, WHICH WAS EITHER FROM OR CLEARED WITH THE PRESIDENT, WAS THAT THEY WERE FULLY AND SYMPATHETICALLY AWARE OF THE NEED FOR LIBERAL RESCHEDULING AND WOULD GIVE SUPPORT TO THAT END.

THERE WAS NO COMMITMENT ON ABS PROPOSALS AS SUCH.

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DEPARTMENT OF EXTERNAL AFFAIRS
-3- I.77572
INWARD CABLEGRAM

MIN. AND DEPT. E.A.
MIN. AND DEPT. DEFENCE
D.C.O.
P.M'S.

55
CONFIDENTIAL

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SEC DEP SEC FAS(1) AS(JIC) INT SEA M AND I M
DL FAS(2) PACAM EA AMSP PPO FAS(3) ER FAS(4)

WASHINGTON

3034/11/161

DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

54
SECRET

CD

I. 77558

2/8/69

TOD 01.2020 LT

FROM

TOR 02.1203 LT

AUSTRALIAN EMBASSY
WASHINGTON

4927 SECRET

ADDRESSED CANBERRA 4927, REPEATED LONDON 372,
DJAKARTA OP 663.

INDONESIA : NIXON VISIT.

CORRECTION TO OUR 4874 TO CANBERRA.
THE SECOND SENTENCE OF PARAGRAPH 6 SHOULD
READ "PRIOR TO THE VISIT IT HAD BEEN SIGNALLED TO THE
INDONESIANS THAT THEY WOULD NOT REPEAT NOT BE A FRUITFUL
SUBJECT FOR DISCUSSION".

SECRET

MIN. AND DEPT E.A.
MIN. AND DEPT DEFENCE
D.C.O.
P.M.'S

SEC DEP SEC FAS(1) AS(JIC) INT SEA M AND I@ M
DL FAS(2) UN PACAM AMSP PPO FAS(3) FAS(4)
DJAKARTA LONDON

SECRET

2034/11/161
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DEPARTMENT OF EXTERNAL AFFAIRS

INWARD CABLEGRAM

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I.77119

2.8.69

TOD 31.2030 LT

FROM

TOR 01.1212 LT

AUSTRALIAN EMBASSY
WASHINGTON

4871 SECRET

ADDRESSED CANBERRA 4871, REPEATED DJAKARTA OP 656,
LONDON 367.

INDONESIA: U.S. MILITARY ASSISTANCE.

YOUR 3158.

MASTERS (STATE) TODAY REVIEWED THE U.S. MILITARY
ASSISTANCE PROGRAMME TO INDONESIA.

2. THE PROGRAMME WAS RUNNING AT ABOUT DOLLARS 6 MILLION PER
ANNUM OVER THE THREE FINANCIAL YEARS 1968-70.

THE CURRENT AID AGREEMENT, NEGOTIATED IN 1967, HAD BEEN
SPECIFICALLY DESIGNED TO GIVE MILITARY ASSISTANCE IN SUPPORT
OF INDONESIA'S CIVIC ACTION PROGRAMME.

INITIALLY THE AID HAD CONSISTED OF SPARES FOR CONSTRUCTION
EQUIPMENT (TRUCKS, BULLDOZERS, ROAD GRADERS ETC) GIVEN UNDER
PREVIOUS PROGRAMMES.

IN 1968 THE UNITED STATES STARTED GIVING INDONESIA NEW
CONSTRUCTION EQUIPMENT (MORE TRUCKS, SCRAPERS, GRADERS ETC).

THE UNITED STATES HAD IT IN MIND TO RE-EQUIP FIVE ARMY
BATTALIONS OF CONSTRUCTION ENGINEERS.

THIS PROGRAMME WAS NOW UNDER WAY AND WOULD RUN THROUGH THE
1971 FINANCIAL YEAR.

3. ABOUT DOLLARS 200,000 HAD BEEN SET ASIDE FOR BOTH THE
INDONESIAN NAVY AND AIRFORCE FOR THE PROVISION OF SPARES FOR
TRANSPORT EQUIPMENT PREVIOUSLY PROVIDED (C 130'S AND C 47'S
IN THE CASE OF THE AIRFORCE AND LST'S IN THE CASE OF THE ARMY).

THERE HAD BEEN TWO ADDITIONAL CATEGORIES ADDED TO THE ABOVE
PROGRAMME.

ONE RELATED TO TRAINING PRIMARILY DIRECTED TO CIVIC ACTION
WORK.

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INWARD CABLEGRAM

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UNDER THIS PROGRAMME SOME INDONESIANS WERE RECEIVING TRAINING AT SYRACUSE UNIVERSITY AND A SMALL NUMBER WERE GOING TO THE U.S. MILITARY ACADEMIES.

THE SECOND ADDITION RELATED TO THE PROVISION OF SOME BASIC TRAINER AIRCRAFT.

THESE WERE SINGLE ENGINE FOUR-PASSENGER CESNA T 41'S.

BECAUSE OF THE PARTICULAR PROBLEM OF THE INDONESIAN AIRFORCE AND SUHARTO'S DESIRE TO KEEP THEM QUIET FOR POLITICAL REASONS, THE UNITED STATES HAD AGREED TO SUPPLY A SQUADRON OF T 41'S (24) OVER A THREE YEAR PERIOD UNDER A SEPARATE AGREEMENT SIGNED IN THE SPRING OF 1969.

IT WAS PLANNED TO DELIVER ABOUT EIGHT TRAINERS EACH YEAR. SOME WERE EXPECTED TO BE DELIVERED SHORTLY.

AMONG THE REASONS WHY THE UNITED STATES HAD AGREED TO PROVIDE THESE PLANES WAS THAT CONDITIONS IN THE AIRFORCE HAD IMPROVED.

A SEPARATE AGREEMENT HAD BEEN NECESSARY BECAUSE PLANES COULD NOT BE PROVIDED UNDER THE CIVIC ACTION PROGRAMME.

MASTERS STRESSED THAT THE GUIDELINES FOR THE PROVISION OF U.S. MILITARY EQUIPMENT STRICTLY PRECLUDED THE PROVISION OF COMBAT EQUIPMENT.

4. MASTERS WENT ON TO SPECULATE THAT IF THE MILITARY AID PROGRAMME WERE TO BE EXPANDED, IN HIS VIEW EXPANSION SHOULD BE ONLY IN THE FIELDS OF INTER-ISLAND COMMUNICATIONS AND TRANSPORT EQUIPMENT.

IN OTHER WORDS, MORE OF THE EXISTING CATEGORIES OF EQUIPMENT MIGHT BE PROVIDED, POSSIBLY INCLUDING SOME MORE EXPENSIVE ITEMS, FOR INSTANCE SOME NEW LST'S AND TRANSPORT PLANES.

IN MASTERS' VIEW THE UNITED STATES WOULD HAVE TO GIVE A LITTLE IN ORDER TO STAVE OFF INCREASED INDONESIAN PRESSURES FOR MORE MILITARY EQUIPMENT.

5. EMPHASISING THAT HE WAS ONLY RAISING THE THOUGHT FOR THE RECORD AT THIS STAGE, MASTERS SAID THAT SOME INDONESIANS FELT THAT IF INDONESIA WERE TO PARTICIPATE IN A FUTURE VIETNAM PEACE-KEEPING OPERATION, UNITS INVOLVED WOULD HAVE TO BE SUBSTANTIALLY RE-EQUIPPED AND THEY WERE LOOKING AROUND FOR NEW EQUIPMENT.

THEY NO DOUBT HAD THEIR EYES ON U.S. SURPLUS STORES IN VIETNAM FOR THIS PURPOSE.

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INWARD CABLEGRAM

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6. THE FACT THAT MASTER RAISED THE QUESTION OF AN INDONESIAN
PEACE-KEEPING FORCE FOR VIETNAM SUGGESTS THAT THIS SUBJECT
MAY HAVE BEEN DISCUSSED DURING NIXON'S VISIT TO DJAKARTA.

MIN AND DEPT OF E.A.
MIN AND DEPT OF DEFENCE
D.C.O.
P.M'S

SEC DEP SEC FAS(1) AS(JIC), INT SEAG M AND IG M
DL FAS(2) PACAM AMSP PPO FAS(3) FAS(4)
DJAKARTA LONDON

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3034/11/161
51

SECRET

SKB

I.77120

1.8.1969

TOD 31.2000 LT

FROM

TOR 01.1212 LT

AUSTRALIAN EMBASSY
WASHINGTON

4874 SECRET

CANBERRA REPEATED DJAKARTA OP655 LONDON 366

INDONESIA - NIXON VISIT

YOUR 3158.

WE SPOKE TO MASTERS (STATE) ABOUT NIXON'S VISIT TO DJAKARTA.
HE SAID HE HAD RECEIVED NO ACCOUNT OF NIXON'S TALK WITH SUHARTO
AND THAT HIS COMMENTS WERE BASED ON SOME BRIEF REPORTS OF THE
LOWER LEVEL OFFICIAL TALKS IN WHICH ROGERS, GREEN AND BARNETT
HAD TAKEN PART, AND ON SOME PRESS REPORTS.

2. IN GENERAL MASTERS THOUGHT THE VISIT HAD ACHIEVED ONE OF ITS
OBJECTIVES, THAT OF ESTABLISHING RAPPORT BETWEEN ROGERS AND
MALIK.

ROGERS HAD NOT PREVIOUSLY MET MALIK.

ALSO INDONESIA WAS PROBABLY BETTER PERSUADED NOW THAT THE
UNITED STATES WOULD CONTINUE TO SUPPORT INDONESIA'S ECONOMIC
DEVELOPMENT PROGRAMME AT ITS PRESENT LEVEL FOR THE NEXT FIVE YEARS.

3. MASTERS ALSO PERSONALLY FELT THAT THE VISIT HAD BEEN
SUCCESSFUL IN CONVINCING THE INDONESIANS THAT THE UNITED STATES
HAD NO WISH TO SIGN THEM UP AS MEMBERS OF ANY SORT OF REGIONAL
SECURITY PACT.

THERE HAD BEEN NO INTENTION ON THE US PART TO PERSUADE
INDONESIA TO ALIGN THEMSELVES WITH THE UNITED STATES AND THE
PRESIDENT HAD MADE SPECIFIC REFERENCES TO THIS POINT.

EVEN A PNI DAILY, GENERALLY ANTI-
AMERICAN IN ITS VIEWS HAD COMMENTED FAVOURABLY ON NIXON'S REFERENCE
TO THE WISH OF THE UNITED STATES TO CONTINUE GIVING AID TO
INDONESIA IN A WAY THAT WAS COMPATIBLE WITH INDONESIA'S BASIC
PHILOSOPHY AND CULTURE.

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DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

- 2 -

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4. WHILST MASTERS FELT THERE HAD BEEN UNDERSTANDABLY BRUISED FEELINGS AMONG SOME INDONESIAN JOURNALISTS AND SECURITY PEOPLE AS A RESULT OF THE SIZE OF THE NIXON PARTY, WHICH TOTALLED OVER 400 HE THOUGHT THAT ON BALANCE THE VISIT HAD BEEN A CONSTRUCTIVE ONE.

MASTERS WENT ON TO COVER SOME OF THE TOPICS DISCUSSED WHICH HE THOUGHT WOULD BE OF INTEREST TO AUSTRALIA.

HE COVERED VIETNAM, MILITARY ASSISTANCE TO WEST IRIAN, THE VISIT OF SUHARTO TO THE UNITED STATES, THE PROBLEM OF THE INDONESIAN DEBT AND THE FUTURE OF US ECONOMIC AID.

5. ON VIETNAM, MALIK HAD SAID PREDICTABLY THAT WHILST INDONESIA COULD NOT MAKE A PUBLIC STATEMENT HELPFUL TO THE US POSITION ON VIETNAM, THE PARIS NEGOTIATIONS AND ITS SUPPORT FOR THE GVN, INDONESIA HOPED THAT THE UNITED STATES WOULD NOT WITHDRAW SUDDENLY.

IN INDONESIA'S VIEW, A TAKEOVER OF SOUTH VIETNAM BY THE NORTH WOULD CREATE SERIOUS PROBLEMS FOR CAMBODIA, LAOS AND EVENTUALLY INDONESIA, AND INDONESIA HOPED THE UNITED STATES WOULD PURSUE A COURSE WHICH WAS BOTH CALCULATED AND CAUTIOUS.

(MASTERS SAID HE WAS DELIGHTED THAT MALIK HAD TAKEN THIS LINE).

6. AS FAR AS MASTERS KNEW, THE QUESTION OF US MILITARY ASSISTANCE TO INDONESIA HAD NOT BEEN PUSHED.

PRIOR TO THE VISIT IT HAD BEEN SIGNALLED TO THE INDONESIANS THAT THIS WOULD BE FRUITFUL SUBJECT FOR DISCUSSION.

IN THE EVENT IT WAS ONLY RAISED IN GENERAL TERMS.

THE INDONESIANS EXPRESSED INTEREST IN MORE TRAINING AND IN ANY AVAILABLE SURPLUS MILITARY EQUIPMENT.

UNITED STATES WAS SUCCESSFUL IN HEADING OFF MORE SUBSTANTIVE DISCUSSION.

MASTERS THOUGHT THAT SOME INDONESIANS HAD THE IDEA THAT AFTER VIETNAM SOME SURPLUS US MILITARY STOCKS MIGHT BECOME AVAILABLE AND THAT THEY WERE PUTTING IN A BID FOR SOME OF THESE.

IN FACT MOST OF THE SURPLUS WOULD PROBABLY BE TURNED OVER TO THE SOUTH VIETNAMESE AND POSSIBLY ALSO TO ALLIES SUCH AS THAILAND AND THE PHILIPPINES.

WE ASKED MASTERS IF HE COULD GIVE US SOME DETAILS OF THE US MILITARY ASSISTANCE PROGRAMME TO INDONESIA.

HIS REPLY IS THE SUBJECT OF A SEPARATE TELEGRAM.

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DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

- 3 -

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7. AS FAR AS MASTERS KNEW, NO EFFORT WAS MADE BY THE INDONESIANS TO GET AN OFFICIAL STATEMENT FROM THE UNITED STATES ON THE ACT OF FREE CHOICE IN WEST IRIAN.

IN PRIVATE CONVERSATION MALIK HAD OUTLINED THE INDONESIAN VIEW ON THE ACT OF FREE CHOICE IN WELL KNOWN TERMS.

ONE POINT OF INTEREST HAD ARISEN DURING THE DUSCUSSION ON WEST IRIAN.

THE INDONESIANS INDICATED THAT THEY HAD DONE SOME TENTATIVE THINKING ABOUT THE LONG TERM ASPECTS OF THE WEST IRIAN PROBLEM AND HAD SAID THEY WOULD LIKE A SPECIAL FUND TO CONTINUE IN EXISTENCE, PERHAPS WORKING ON THE BASIS OF CONTRIBUTIONS FROM THE ASIAN DEVELOPMENT BANK OR THE UNITED NATIONS.

ASKED IF THE INDONESIANS HAD IN MIND A CONTINUATION OF AN AID ORGANISATION WITH A SIMILAR FRAMEWORK TO FUNDWI, MASTERS SAID THE INDONESIANS HAD NOT SPELT OUT THEIR IDEAS, BUT HE THOUGHT THAT THE FACT THAT THEY WERE THINKING IN POSITIVE TERMS ABOUT THE FUTURE OF WEST IRIAN WAS A HEALTHY SIGN.

HE HAD FEARED THAT AFTER THE ACT OF FREE CHOICE HAD BEEN COMPLETED DJAKARTA WOULD HEAVE A SIGH OF RELIEF AND PROMPTLY FORGET ABOUT THE TERRITORY.

IN RESPONSE TO FURTHER QUESTIONING MASTERS SAID THAT THE INDONESIANS HAD MADE NO REQUEST TO THE UNITED STATES FOR ANY SPECIFIC ECONOMIC AID FOR WEST IRIAN.

HIS FEELING WAS THAT THE INDONESIANS WOULD WISH TO WORK UP THEIR IDEAS MORE THOROUGHLY BEFORE MAKING ANY REQUESTS TO ANYONE.

HE WAS UNCERTAIN WHETHER THEY HAD IN MIND BILATERAL AID OR SOME FORM OF MULTILATERAL AID THROUGH THE ADB OR THE UNITED NATIONS.

(MASTERS REMARKED THAT THE UNITED STATES CONGRESS HAD NOT BEEN OPPOSED TO MULTILATERAL APPROACHES FOR AID.

IT APPEARED TO BE HAPPY, FOR INSTANCE, WITH THE IGG MECHANISM AND THE PARIS GROUP).

HIS PERSONAL VIEW WAS THAT IT WOULD BE BEST TO LEAVE THE INITIATIVE TO THE INDONESIANS TO RAISE THIS MATTER AGAIN.

THIS WOULD AVOID THE RISK OF RAISING DOUBTS IN INDONESIAN MINDS THAT OTHER COUNTRIES, INCLUDING THE UNITED STATES, HAD A PLAN TO SELL TO THE INDONESIANS FOR SOME ULTERIOR MOTIVE.

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DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

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8. NIXON HAD REITERATED HIS INVITATION TO SUHARTO TO VISIT THE UNITED STATES BUT NO DATE HAD BEEN SET.

MASTERS HAD THE IMPRESSION THAT THE VISIT WOULD NOT TAKE PLACE THIS AUTUMN, PARTLY BECAUSE SUHARTO HAD NOW MET NIXON AND PARTLY BECAUSE OF THE WEST IRIAN ISSUE IN THE UNITED NATIONS.

MASTERS THOUGHT THAT THE INDONESIANS WERE NOW THINKING OF A VISIT IN 1970.

WE MENTIONED TO MASTERS THAT WE UNDERSTOOD FROM INDONESIAN SOURCES HERE THAT SUHARTO HAD APPARENTLY NOT BEEN IMPRESSED BY ARGUMENTS PUT UP BY THE EMBASSY THAT HE SHOULD POSTPONE HIS VISIT.

MASTERS AGREED THAT THIS WAS THE CASE BUT SAID THAT, NEVERTHELESS, HIS IMPRESSION REMAINED FIRM THAT THE VISIT WOULD BE POSTPONED.

9. DISCUSSION ON THE INDONESIAN DEBT QUESTION HAD BROUGHT NO SURPRISES.

INDONESIA HAD EXPRESSED THE HOPE THAT THE UNITED STATES WOULD BE ABLE TO GO ALONG WITH ABS' PROPOSALS IN THEIR PRESENT FORM.

THEY HAD RECOGNISED THE POSSIBILITY OF LEGAL DIFFICULTIES BUT HOPED THAT THESE COULD BE OVERCOME.

THE UNITED STATES HAD MADE NO COMMITMENT TO THE INDONESIANS ON THIS QUESTION.

10. THE QUESTION OF US AID TO INDONESIA HAD BEEN DISCUSSED IN ONLY GENERAL TERMS.

NO FIGURES HAD BEEN MENTIONED.

11. SUMMING UP THE VISIT MASTERS SAID THAT IT HAD CONTAINED NO REAL SURPRISES.

THERE HAD BEEN SOME USEFUL EXCHANGES.

THE VISIT HAD BEEN VALUABLE IN REASSURING THE INDONESIANS THAT THE UNITED STATES DID NOT WISH TO ORDER THEIR THOUGHTS FOR THEM BUT TO SOLICIT THEIR VIEWS.

IN THE PAST UNITED STATES HAD TENDED TO PAY TOO LITTLE ATTENTION TO LOCAL VIEWPOINTS IN DECIDING POLICIES AND NIXON HAD MADE IT CLEAR THAT THIS WAS NOT TO BE HIS APPROACH TO THE PROBLEMS OF ASIA.

IN ANSWER TO OUR QUESTION MASTERS SAID THERE HAD BEEN SOME GENERAL DISCUSSION ABOUT THE SOVIET UNION AND COMMUNIST CHINA.

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DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

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I.77120

INDONESIA HAD SAID THAT THE USSR SEEMED TO BE INCREASING ITS ACTIVITIES IN SOUTHEAST ASIA.

EVERYONE HAD AGREED THAT THEY DID NOT KNOW WHAT BREZHNEV HAD MEANT WHEN HE REFERRED TO THE FORMATION OF AN ASIAN SECURITY ARRANGEMENT IN HIS 7TH JUNE SPEECH.

12. PLEASE PROTECT MASTERS.

MIN. AND DEPT E.A.
MIN. AND DEPT OF DEFENCE
D.C.O.
P.M.'S

SEC DEP SEC FAS(1) AS(JIC) INT SEA M AND I M
DL FAS2 UN PACAM AMSP PPO FAS(3) FAS(4)

DJAKARTA LONDON

DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

- 5 -

I.77120

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DL FAS2 UN PACAM AMSP PPO FAS(3) FAS(4)

DJAKARTA LONDON

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3034/11/161

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=AAP284 .4 AUG 69 1959
ROGERS:

DJAKARTA, AUG. 4, AAP-REUTER -- AMERICAN SECRETARY OF STATE WILLIAM ROGERS AND INDONESIAN FOREIGN MINISTER ADAM MALIK OPEN TALKS ON THE TOURIST ISLAND OF BALI TOMORROW ON INTERNATIONAL AND BILATERAL MATTERS.

FOREIGN OFFICE SOURCE SAID THE TALKS MIGHT DEAL WITH DETAILS OF WHAT HAD BEEN ACHIEVED DURING THEIR PREVIOUS DISCUSSION WHEN MR. ROGERS ACCOMPANIED PRESIDENT NIXON ON HIS BRIEF VISIT TO DJAKARTA LAST WEEK.

MR MALIK, WHO RETURNED FROM WEST IRIAN YESTERDAY, WILL FLY TO BALI TOMORROW.

MR. MALIK AND MR ROGERS ARE EXPECTED TO MIX POLITICAL TALKS WITH THE PLEASURE OF WATCHING BALINESE DANCES AND SEEING THE ISLAND'S FAMOUS SIGHTS.

THE AMERICAN SECRETARY WILL ARRIVE THERE TOMORROW FROM HONGKONG.
MORE JAM

EA

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ROGERS 2 DJAKARTA:

INFORMED SOURCES SAID MR. ROGERS MIGHT RAISE THE QUESTION OF INDONESIA'S PARTICIPATION IN A PEACE-KEEPING FORCE IN VIETNAM AFTER THE WAR.

THE SOURCES MADE IT CLEAR THAT INDONESIA WOULD ONLY BE PREPARED TO TAKE PART IN THE FORCE IF IT WAS ORGANISED BY THE UNITED NATIONS AND ITS EXISTENCE WAS APPROVED BY ALL THE WARRING PARTIES.

PRESIDENT SUHARTO TOLD PRESIDENT NIXON HERE LAST WEEK THAT INDONESIA BELIEVED A COMMUNIST THREAT WOULD COME THROUGH SUBVERSION RATHER THAN WAR.

OTHER SUBJECTS TO BE DISCUSSED BY MR MALIK AND MR ROGERS COULD BE AMERICA'S ECONOMIC AID TO INDONESIA, THE SOURCES ADDED.
AAP-REUTER CA



THIS PAGE IS REPRODUCED FROM A BADLY FADED OR ILLEGIBLE SOURCE.
SCANNING THIS ITEM AT A HIGHER RESOLUTION WILL NOT IMPROVE ITS LEGIBILITY.

2034/11/161
-AAPP40 30 JUL 69 1820
PACT:

2034/11/161
H. Bouche
1-212 45

DJAKARTA, JULY 30, AAP-REUTER -- PRESIDENT NIXON DID NOT URGE INDONESIA TO JOIN ANY MILITARY PACT DURING HIS TALKS WITH INDONESIAN PRESIDENT SUHARTO, CABINET SECRETARY BRIGADIER GENERAL SUDARMO SAID TODAY.

PRESIDENT SUHARTO MADE THIS CLEAR AT A CABINET MEETING YESTERDAY WHEN HE REPORTED ON HIS TALKS WITH PRESIDENT NIXON, GENERAL SUDARMO SAID.

PRESIDENT SUHARTO STRESSED THAT JOINING MILITARY PACTS WAS CONTRARY TO A STANDING DECISION OF THE PEOPLE'S CONGRESS -- INDONESIA'S HIGHEST POLICY-MAKING BODY.

MEANWHILE, INDONESIAN AND AMERICAN OFFICIALS HERE TODAY DENIED CHARGES BY THE NEW CHINA NEWS AGENCY THAT THE U.S. WAS BUILDING MILITARY BASES IN INDONESIA.

AN INDONESIAN GOVERNMENT SPOKESMAN SAID THE NEWS AGENCY'S CHARGES WERE UNFOUNDED WHILE AN AMERICAN EMBASSY SPOKESMAN SAID THE U.S. HAD NO MILITARY BASES IN INDONESIA.
AAP-REUTER GT

834/11/161
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DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

MR

I.76915

1/8/69

TOD 31.1750 LT

FROM

TOR 01.0126 LT

AUSTRALIAN EMBASSY
DJAKARTA

2049 SECRET

ADDRESSED CANBERRA 2049, REPEATED WASHINGTON 20.

ANZUS

YOUR 2422

AMERICAN EMBASSY TELL US THAT MILITARY ASSISTANCE PROGRAMME HAS BEEN RUNNING AT AROUND DOLLARS 5 MILLION PER YEAR AND IS DESIGNED TO SUPPORT THE ARMED FORCES 'CIVIC MISSION' PROGRAMME BY SUPPLYING NON-LETHAL EQUIPMENT (E.G., ROAD GRADERS, TRUCKS, ETC). AND PROVIDING TECHNICAL TRAINING IN THE UNITED STATES FOR ABRI PERSONNEL.

2. SERVICES ATTACHES ARE SEEKING ADDITIONAL DETAILS BUT FULL RUNDOWN, IF REQUIRED, MAY BE MORE READILY AVAILABLE IN WASHINGTON.

3. MALIK HAS STATED PUBLICLY IN ANSWER TO QUESTIONS ABOUT NIXON VISIT THAT INDONESIA DID NOT REPEAT NOT REQUEST ARMS AID FROM THE UNITED STATES.

AMERICAN EMBASSY HAVE ALSO TOLD US THAT THERE WAS NO SPECIFIC MENTION OF MILITARY ASSISTANCE.

MIN. AND DEPT. OF E.A.
MIN. AND DEPT. OF DEFENCE
D.C.O.
P.M'S

SEC DEP SEC FAS(1) AS(JIC) INT SEA@ M AND IO M DL
FAS(2) PACAM AMSP PPO FAS(3) FAS(4) ICR PIO

WASHINGTON

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DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

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SKB

I.75703

29.7.1969

TOD 28.2100LT

FROM

TOR 29.1139 LT

AUSTRALIAN EMBASSY
WASHINGTON

4755 CONFIDENTIAL PRIORITY

PRESIDENT NIXONS POLICY TOWARDS ASIA.

REFERENCE OUR TELEGRAM 4730.

IN BRIEFING CORRESPONDENTS FOR INDIRECT QUOTATION ONLY AT GUAM, PRESIDENT NIXON APPEARS IN FACT TO HAVE MADE A MAJOR FOREIGN POLICY STATEMENT.

THE CONDITIONS UNDER WHICH HIS 'UNQUOTABLE ASIAN POLICY' ('WASHINGTON POST') WAS ENUNCIATED COULD BE TAKEN TO SUGGEST THAT HE WAS MERELY 'TRYING ON' IDEAS WHICH HE COULD MODIFY OR EVEN DISAVOW IN THE LIGHT OF INTERNATIONAL REACTION.

HOWEVER MR. NIXON'S THESIS WAS GENERALLY CONSISTENT WITH WHAT HE WROTE IN HIS 'FOREIGN AFFAIRS' ARTICLE IN OCTOBER 1967, AND FOR THIS AND FOR THE REASONS OUTLINED IN THE FOLLOWING PARAGRAPHS WE CONSIDER THAT IT SHOULD BE TAKEN TO REPRESENT A DEFINITIVE STATEMENT OF THE GUIDELINES FOR FUTURE U.S. POLICY IN ASIA.

2. THE PLACE AND TIME OF MR. NIXON'S REMARKS ARE BOTH SIGNIFICANT. SPEAKING AT HIS LAST STOP ON AMERICAN TERRITORY BEFORE BEGINNING HIS ASIAN TOUR THE PRESIDENT WAS ADDRESSING HIMSELF BOTH TO AN AMERICAN PUBLIC AND TO ASIAN COUNTRIES.

FOLLOWING THE PRACTICE WHICH HE HAD ADOPTED TOWARDS WESTERN EUROPE AT THE BEGINNING OF HIS TERM, THE PRESIDENT WAS INDICATING TO ASIAN LEADERS THAT HE WISHED TO HEAR THEIR VIEWS ON THE MAJOR ISSUES OF PEACE AND DEVELOPMENT IN ASIA, AT A TIME WHICH KISSINGER (OUR SAVINGRAM 305) HAD A WEEK EARLIER DESCRIBED AS A TURNING-POINT IN RELATIONS BETWEEN THE UNITED STATES AND ASIA.

IN THE SENSE THAT THE PRESIDENT IS INAUGURATING A DIALOGUE WITH THEIR LEADERS THE PRESTIGE OF THE ASIAN COUNTRIES VISITED IS BOLSTERED AT THE EXPENSE OF THOSE WHICH ARE NOT.

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CONFIDENTIAL

CONFIDENTIAL

INWARD CABLEGRAM

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I.75703

CONFIDENTIAL

THE LEADERS OF AUSTRALIA AND SOUTH VIETNAM HAVE ALREADY HAD TALKS WITH THE PRESIDENT, BUT FOR OTHERS THE VISIT OF SECRETARY OF STATE ROGERS, WHO HAS BEEN ALLOCATED A ROLE AS AMBASSADOR-AT-LARGE, WILL NOT BE AN ADEQUATE SUBSTITUTE FOR FACE-TO-FACE DISCUSSIONS WITH THE PRESIDENT.

3. IT MAY BE ACKNOWLEDGED THAT PRESIDENT NIXON'S MESSAGE IS NOT NEW.

EVERY AMERICAN PRESIDENT SINCE EISENHOWER HAS SPOKEN IN FAVOUR OF ASIANS DOING MORE TO HELP THEMSELVES AND AGAINST AMERICAN BOYS FIGHTING ASIA'S WARS.

(FORMER PRESIDENT JOHNSON LAST SPOKE ALONG THESE LINES IN HIS 1964 ELECTION CAMPAIGN).

THERE ARE, HOWEVER, TWO NEW FACTORS.

4. IN THE FIRST PLACE, PREVIOUS PRESIDENTIAL STATEMENTS OF THIS NATURE WERE MADE BEFORE THE MASSIVE AMERICAN ENTANGLEMENT IN VIETNAM.

MR. NIXON MAKES IT CLEAR THAT FOR HIM THERE WILL BE NO MORE VIETNAMS, AND HIS STATEMENT IS RE-INFORCED BY HIS HAVING ALREADY EMBARKED ON A GRADUAL PROCESS OF CHANGING THE SCALE AND THUS THE NATURE OF THE U.S. MILITARY PRESENCE IN SOUTH VIETNAM.

MR. NIXON HIMSELF ACKNOWLEDGES THAT THERE ARE AREAS OF OBSCURITY IN HOW THREATS ARISING FROM INSURGENCY AND SUBVERSION INSPIRED FROM OUTSIDE SHOULD BE MET OVER THE NEXT DECADE.

IT SEEMS TO US HOWEVER THAT HIS STATEMENTS ARE BOUND TO CAUSE MISGIVINGS IN BOTH THAILAND AND LAOS.

THERE IS A CLEAR POINTER THAT THE CONVENTIONAL U.S. PRESENCE IN THAILAND WILL BE REDUCED, THOUGH ADMITTEDLY 75 PERCENT OF THIS IS DIRECTLY CONNECTED WITH THE PROSECUTION OF THE WAR IN VIETNAM.

THERE SEEMS TO BE A FAIRLY CLEAR IMPLICATION THAT COVERT U.S. ASSISTANCE TO THE THAI AND ROYAL LAOTIAN GOVERNMENTS IN COUNTER INSURGENCY OPERATIONS WILL "RECEDE".

5. IN THE SECOND PLACE, PRESIDENT NIXON AFFECTS TO ATTACH GREAT IMPORTANCE TO THE PROGRESS ASIAN COUNTRIES HAVE MADE IN RECENT YEARS IN ECONOMIC ADVANCEMENT AND TOWARDS REGIONAL CO-OPERATION (THOUGH IN THE LATTER RESPECT HE HAS SOMEWHAT MODIFIED THE EXPECTATIONS WHICH HE EXPRESSED IN HIS "FOREIGN AFFAIRS" ARTICLE).

HIS ASIAN TOUR SEEMS DESIGNED TO HIGHLIGHT HIS EXPECTATIONS THAT ASIAN COUNTRIES THEMSELVES WILL NOW SEIZE THE INITIATIVE IN PUTTING FORWARD POSITIVE PROGRAMMES IN WHICH THE U.S. CAN PLAY A PART.

TO SOME EXTENT THIS PLEA FOR ACTIVE CO-OPERATION FROM ASIAN COUNTRIES MAY BE A RIPOSTE TO THE RECENT SOVIET PROPOSALS FOR NEW COLLECTIVE SECURITY ARRANGEMENTS IN ASIA, TO WHICH NO DIRECT REFERENCE WAS MADE BY MR. NIXON.

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DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

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6. ONE DOUBT WHICH MUST BE RAISED ABOUT MR. NIXON'S NEW THESES IS WHETHER THEY WILL IN FACT SERVE TO ENCOURAGE THE TREND TOWARDS MUTUAL CO-OPERATION IN ASIA.

IF AN OFF-SHORE STRATEGY IS PREFERABLE FOR THE UNITED STATES THEN IT MAY BE PREFERABLE FOR OTHER OFF-SHORE ASIAN COUNTRIES.

THE APPARENT RECENT TREND IN JAPANESE AND INDONESIAN THINKING TOWARDS ACCEPTANCE OF SOME (ADMITTEDLY VERY VAGUE) KIND OF MUTUAL SECURITY OBLIGATIONS ON THE MAINLAND OF SOUTH-EAST ASIA MAY BE CHECKED.

THEY MAY NOW SEE LESS ADVANTAGE IN HELPING TO UNDERWRITE THE SECURITY OF THE INDO-CHINESE PENINSULA, OR THAILAND, AGAINST CHINA OR NORTH VIETNAM.

INDONESIA MAY WELL SEE ITS INTERESTS INVOLVED IN THE CONTINUED SECURITY OF MALAYSIA, BUT NOT OF OTHER MAINLAND SOUTH-EAST ASIAN COUNTRIES.

THIS WOULD TEND TO REVIVE THE OLD MAPHILINDO CONCEPT AND THE CONCERN ABOUT INDONESIAN EXPANSIONISM WHICH AROSE FROM IT.

7. AS FAR AS AUSTRALIA IS AFFECTED DIRECTLY, THE MOST IMPORTANT FEATURE OF PRESIDENT NIXON'S REMARKS IS HIS REASSERTION OF ACCEPTANCE OF AMERICAN TREATY COMMITMENTS AND HIS VIGOROUS REJECTION OF ISOLATIONISM.

IN ADDITION THE THREAT BY A MAJOR POWER INVOLVING NUCLEAR WEAPONS IS EXPLICITLY EXCEPTED FROM THE GENERAL PRINCIPLE OF THE RESPONSIBILITY OF THE COUNTRIES OF THE REGION FOR THEIR OWN SECURITY.

THERE IS MOREOVER AN EMPHASIS PLACED ON THE CONTINUING AND FUNDAMENTAL ROLE OF THE UNITED STATES AS A PACIFIC POWER AND THE CONTINUED IMPORTANCE OF THE PACIFIC REGION TO WORLD SECURITY.

8. HOWEVER, IN SITUATIONS WHICH FALL SHORT OF THE CALLING INTO OPERATION OF TREATY OBLIGATIONS, OR IN WHICH A THREAT FROM A MAJOR POWER INVOLVING NUCLEAR WEAPONS IS NOT INVOLVED, MR. NIXON'S COMMENTS LEAVE A NUMBER OF QUESTIONS UNANSWERED.

THE PRESIDENT'S THESIS REITERATES THE CONCEPT OF A 'COLLECTIVE EFFORT BY NATIONS OF THE REGION TO CONTAIN THE THREAT BY THEMSELVES'; AND IF THAT WERE TO FAIL, A 'COLLECTIVE REQUEST TO THE UNITED STATES FOR ASSISTANCE', WHICH HE POSTULATED IN 'FOREIGN AFFAIRS' IN 1967.

WHAT AMOUNTS TO A COLLECTIVE REQUEST IS NO CLEARER.

9. THE ANZUS MINISTERIAL COUNCIL MEETING WILL PROVIDE AN OPPORTUNITY TO EXPLORE QUESTIONS ARISING FROM THE PRESIDENT'S REMARKS.

AS HAS BEEN THE CASE IN THE FORMULATION OF POLICY ON VIETNAM THE GUAM STATEMENT BEARS THE STAMP OF THE PRESIDENT'S PERSONAL THINKING AND ADVICE TENDERED TO HIM BY KISSINGER.

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CONFIDENTIAL

DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

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WE SHALL REPORT SUCH COMMENTS AS THE STATE DEPARTMENT HAVE, BUT
IN THE ABSENCE OF SENIOR OFFICERS AND IN ALL THE OTHER CIRCUMSTANCES
WE ARE UNLIKELY TO BE ABLE TO OBTAIN MUCH ELABORATION OF THE
PRESIDENT'S THINKING BEFORE THE ANZUS MEETING.

RYAN.

PRIME MINISTER
MIN. AND DEPT OF E.A.
MIN. AND DEPT OF DEFENCE
P.M.'S DEPT
D.C.O.
P.M.'S

SEC DEP SEC FAS(1) AS(JIC) INT SEA M AND I M DL
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BANGKOK DJAKARTA HONG KONG KUALA LUMPUR LONDON MANILA
MOSCOW PARIS PHNOM PENH SAIGON SEOUL SINGAPORE TOKYO VIENTIANE

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DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

MR I.76864
01/8/69 TOD 31.1845 LT
FROM TOR 01.0022 LT
AUSTRALIAN EMBASSY
DJAKARTA

2050 CONFIDENTIAL

ADDRESSED CANBERRA 2050, REPEATED WASHINGTON 21.

PRESIDENT NIXON'S VISIT

WE EXPECT TO CABLE YOU TOMORROW ACCOUNT OF DISCUSSIONS FROM INDONESIAN SIDE.

IN THE MEANTIME FOLLOWING IS SUMMARY OF ACCOUNT WE HAVE HAD FROM AMERICAN EMBASSY (RECORD BY BAG), WHO WERE HOWEVER NOT ABLE TO GIVE US ANY DETAILS OF PRIVATE TALKS BETWEEN THE TWO PRESIDENTS AS MR NIXON WAS ACCOMPANIED ONLY BY AMBASSADOR GALBRAITH WHO HAD NOT YET BRIEFED HIS OFFICERS.

2. EMBASSY DESCRIBED TALKS AS SATISFACTORY BROAD EXCHANGE OF VIEWS.

THERE WERE NO PROBLEMS IN BILATERAL RELATIONS AND VISIT ACCORDED OPPORTUNITY FOR NIXON TO ESTABLISH PERSONAL CONTACT WITH SOEHARTO AND FOR ROGERS TO EXCHANGE BROAD IDEAS WITH MALIK IN PREPARATION FOR MORE DETAILED TALKS IN BALI NEXT WEEK.

3. MALIK-ROGERS TALKS CONCENTRATED ON VIETNAM AND REGIONAL SECURITY.

NUMBER OF OTHER TOPICS - MIDDLE EAST, INDIAN OCEAN AND DEBT RESCHEDULING - WERE RAISED BRIEFLY WITHOUT SUBSTANTIVE DISCUSSION.

NOTHING NEW WAS SAID BY EITHER SIDE ON ABOVE SUBJECTS.

WEST IRIAN WAS MENTIONED BY INDONESIANS IN THE CONTEXT OF LOOKING BEYOND THE ACT OF FREE CHOICE AND MALIK FORESHADOWED INDONESIAN INTENTIONS TO APPROACH A.D.B. FOR ASSISTANCE FOR WEST IRIAN.

4. MALIK REITERATED INDONESIAN POSITION FAVOURING WITHDRAWAL OF AMERICAN FORCES FROM VIETNAM BUT STRESSED THAT U.S. SHOULD NOT WITHDRAW PRECIPITATELY.

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DEPARTMENT OF EXTERNAL AFFAIRS

INWARD CABLEGRAM

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MALIK HOPED U.S. WOULD CAREFULLY PHASE WITHDRAWAL SO AS NOT TO ALTER SHARPLY STATUS QUO IN SOUTH EAST ASIA.

MALIK ALSO CLARIFIED THAT INDONESIA WAS PREPARED TO CONSIDER ANY U.N. SUPPORTED REQUEST FOR INDONESIA TO PLAY A PART IN PEACE-KEEPING IN VIETNAM AFTER A SETTLEMENT.

5. MALIK SPOKE BRIEFLY ABOUT REGIONAL SECURITY FROM THE POINT OF VIEW OF NATIONAL STRENGTH.

AS LONG AS PEKING-SUPPORTED SUBVERSION IN INDONESIA CONTINUED THERE WAS A NEED TO BUILD UP INDONESIA'S CAPACITY TO RESIST SUBVERSION AS QUICKLY AS POSSIBLE.

INDONESIA WAS ATTEMPTING THIS THROUGH ITS ECONOMIC PROGRAMME AND SHE WOULD NEED CONTINUING AID OF DOLLARS 500 - 600 MILLION PER YEAR FOR SEVERAL YEARS.

ROGERS GAVE ASSURANCES THAT U.S. WOULD HONOUR ALL ITS EXISTING TREATY COMMITMENTS IN THE AREA AND THAT U.S. WOULD CONTINUE TO PLAY ITS PART WITH ECONOMIC AID BUT NO SPECIFIC AID COMMITMENTS WERE SOUGHT OR GIVEN.

ROGERS TOLD MALIK THAT COUNTRIES OF SOUTH EAST ASIA, INCLUDING VIETNAM, WOULD NEED TO ACCEPT A GREATER SHARE OF THE BURDEN IN LOOKING AFTER THEMSELVES.

THE U.S. WAS WILLING TO ASSIST IN THIS INDIRECTLY BY HELPING TO INCREASE CAPABILITY OF SOUTH EAST ASIAN COUNTRIES TO RESIST SUBVERSION.

IN SOME CASES THIS CONTRIBUTION WAS TAKING THE FORM OF MILITARY ASSISTANCE AS IN VIETNAM AND THAILAND.

THE BREZHNEV PROPOSALS WERE TOUCHED ON BY INDONESIA WITH BOTH SIDES RECOGNISING THAT THEY COULD NOT ELUCIDATE RUSSIANS INTENTIONS DUE TO LACK OF SPECIFIC DETAILS.

6. DISCUSSIONS ON OTHER SUBJECTS DID NOT PRODUCE ANYTHING NEW (NOR ACCORDING TO AMERICAN EMBASSY WAS IT DESIGNED TO).

MIN. AND DEPT. E.A.
MIN. AND DEPT. DEFENCE
TREASURER AND TREASURY
P.M.'S DEPT
D.C.O.
P.M.'S

SEC DEP SEC FAS(1) AS(JIC) INT SEA M AND I@ DL
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File No. 221/5/2 37

2034/11/161
AUSTRALIAN EMBASSY, DJAKARTA

Mr Abu Bakar Lubis, Chief of the Minister's
Record of Conversation with Private Staff, Department of Foreign Affairs.

on 24th July, 1969 CENTRAL REGISTRY

Officers Present Mr F.B. Dalrymple D.E.A. 0

JUL 30 1 58 PM '69

MAIN SUBJECT(S):

NOM. INDEX SUBJECT
PRESIDENT NIXON'S VISIT

Comment

Abu Bakar Lubis is one of the senior members of the Department of Foreign Affairs who has survived from the Sukarno/Subandrio period, although he is no longer in the line structure of the Department. He visited Australia with the Foreign Minister last year. He is an articulate and obviously very intelligent man who speaks warmly of his visit to Australia and of his friendly relations with previous members of this Embassy.

Nixon Visit and Related Matters

2. Lubis talked at length about matters which he expected would arise in the talks with President Nixon or subsequently with Secretary Rogers, or which suggested themselves to him in that context. Much of what he said was almost identical to what General Soepardjo had told me earlier (our memorandum No.1001 of 25th July). Like Soepardjo, Lubis felt sure that President Nixon had decided to effect a military withdrawal from Vietnam, and subsequently from other places in South East Asia, as quickly as he decently could. Again like Soepardjo, Lubis said that the Indonesian objective would be privately and confidentially to try to slow down the pace of this withdrawal on the ground that there would not for some time be anything to take the Americans' place since the regional countries were all too weak to help themselves. It was no use if the Americans were to say that there should be some new regional arrangements for mutual security. The countries concerned added up to nothing in military terms; "The sum of a row of zeros is still zero". They added up to nothing in terms of power and influence mainly because they were economically so backward and weak. So what was needed was economic development as fast as possible and that was the role the Americans should concentrate on to organize and lead a massive effort for South East Asia in aid and investment since the countries concerned could not hope to achieve development by their own unaided efforts. This was particularly true of the biggest and most backward country of all - Indonesia.

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3. I put it to Lubis, as I had to Soepardjo, that it seemed doubtful whether the sort of economic strength he was talking about could be quickly created on a kind of crash programme basis with massive foreign aid, even if the necessary amounts of aid were likely to be forthcoming (and one could not at present be too optimistic about that). Lubis, unlike Soepardjo, showed some appreciation of this point, but stuck to his position. He explained that he thought it still valid because even though development might proceed more slowly than he had originally allowed an important consideration would be that increasing economic activity and improved prospects would enhance the national will to preserve independence and security. Even if they could not become economically strong in the foreseeable future the sense they were getting stronger would give them confidence they now lacked.

4. Lubis said that without very substantial outside economic support Indonesia would not be able to play any regional role the Americans may envisage for her in the post-Vietnam period. In any case there was nothing of significance she could do now or in the immediate future. All efforts had to be devoted to economic development and there must be the absolute minimum of dissipation of that effort. Later they would be able to play a bigger role, but only if they had been able to build up economically with outside support. It was very important for Indonesia that the United States, and for that matter Australia, helped Indonesia as much as possible in the coming years. Otherwise there would be increasing problems with the Japanese. Lubis then went on to speak in the most unbridled terms I have yet heard here applied to Japanese investment and aid policies and practices affecting Indonesia (and one hears a good deal of complaint on this score from Indonesians).

5. Lubis told me that there was a fairly sharp tussle going on between the Foreign Office and some of the military over aid requests which should be made to the Americans. It was agreed that the main emphasis should be on the need for continued and increased development assistance to enable Indonesia to gain strength to make its proper contribution to the security of the region. But the Armed Forces wanted to use the opportunity also to seek military hardware. The Foreign Office argued that any military requests should be limited to things required for the Forces' civic action role which could be related to the primary objective of economic development. Lubis said he was fairly confident that President Soeharto would favour the Foreign Office view in this dispute.

Report

Prepared by *R. D. [signature]*

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File No. 221/5/2 35

AUSTRALIAN EMBASSY, DJAKARTA

Memo 1013

Record of Conversation with Mr Abu Bakar Lubis, Chief of the Minister's
Private Staff, Department of Foreign Affairs.

on 24th July, 1969.

Officers Present Mr F.E. Dalrymple

MAIN SUBJECT(S):

PRESIDENT NIXON'S VISITComment

Abu Bakar Lubis is one of the senior members of the Department of Foreign Affairs who has survived from the Sukarno/Subandrio period, although he is no longer in the line structure of the Department. He visited Australia with the Foreign Minister last year. He is an articulate and obviously very intelligent man who speaks warmly of his visit to Australia and of his friendly relations with previous members of this Embassy.

Nixon Visit and Related Matters

2. Lubis talked at length about matters which he expected would arise in the talks with President Nixon or subsequently with Secretary Rogers, or which suggested themselves to him in that context. Much of what he said was almost identical to what General Soepardjo had told me earlier (our memorandum No.1001 of 25th July). Like Soepardjo, Lubis felt sure that President Nixon had decided to effect a military withdrawal from Vietnam, and subsequently from other places in South East Asia, as quickly as he decently could. Again like Soepardjo, Lubis said that the Indonesian objective would be privately and confidentially to try to slow down the pace of this withdrawal on the ground that there would not for some time be anything to take the Americans' place since the regional countries were all too weak to help themselves. It was no use if the Americans were to say that there should be some new regional arrangements for mutual security. The countries concerned added up to nothing in military terms; "The sum of a row of zeros is still zero". They added up to nothing in terms of power and influence mainly because they were economically so backward and weak. So what was needed was economic development as fast as possible and that was the role the Americans should concentrate on to organize and lead a massive effort for South East Asia in aid and investment since the countries concerned could not hope to achieve development by their own unaided efforts. This was particularly true of the biggest and most backward country of all - Indonesia.

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3. I put it to Lubis, as I had to Soepardjo, that it seemed doubtful whether the sort of economic strength he was talking about could be quickly created on a kind of crash programme basis with massive foreign aid, even if the necessary amounts of aid were likely to be forthcoming (and one could not at present be too optimistic about that). Lubis, unlike Soepardjo, showed some appreciation of this point, but stuck to his position. He explained that he thought it still valid because even though development might proceed more slowly than he had originally allowed an important consideration would be that increasing economic activity and improved prospects would enhance the national will to preserve independence and security. Even if they could not become economically strong in the foreseeable future the sense they were getting stronger would give them confidence they now lacked.

4. Lubis said that without very substantial outside economic support Indonesia would not be able to play any regional role the Americans may envisage for her in the post-Vietnam period. In any case there was nothing of significance she could do now or in the immediate future. All efforts had to be devoted to economic development and there must be the absolute minimum of dissipation of that effort. Later they would be able to play a bigger role, but only if they had been able to build up economically with outside support. It was very important for Indonesia that the United States, and for that matter Australia, helped Indonesia as much as possible in the coming years. Otherwise there would be increasing problems with the Japanese. Lubis then went on to speak in the most unbridled terms I have yet heard here applied to Japanese investment and aid policies and practices affecting Indonesia (and one hears a good deal of complaint on this score from Indonesians).

5. Lubis told me that there was a fairly sharp tussle going on between the Foreign Office and some of the military over aid requests which should be made to the Americans. It was agreed that the main emphasis should be on the need for continued and increased development assistance to enable Indonesia to gain strength to make its proper contribution to the security of the region. But the Armed Forces wanted to use the opportunity also to seek military hardware. The Foreign Office argued that any military requests should be limited to things required for the Forces' civic action role which could be related to the primary objective of economic development. Lubis said he was fairly confident that President Soeharto would favour the Foreign Office view in this dispute.

Report

Prepared by

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File No. 221/5/2

AUSTRALIAN EMBASSY, DJAKARTA

Memo 1013 33

Record of Conversation with

Mr Abu Bakar Lubis, Chief of the Minister's
Private Staff, Department of Foreign Affairs.

on

24th July, 1969.

Officers Present

Mr F.E. Dalrymple



MAIN SUBJECT(S):

PRESIDENT NIXON'S VISIT

Comment

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Report

Prepared by

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SECRET

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DJAKARTA

REPEATED : WASHINGTON

SECRET

ANZUS

Your recent telegrams on West Irian will be of assistance in preparation of brief for ANZUS Council meeting on 8th August. Grateful ~~also~~ for any information you may have on United States military assistance to Indonesia.

2. Your report on President Nixon's visit will also be useful.

→ M. B. ~~Spencer~~ -

R.F.OsBorn



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AUSTRALIAN EMBASSY
DJAKARTA

30
In reply quote No. 221/5/2
Memorandum No. 1001

25th July, 1969

The Secretary,
Department of External Affairs,
CANBERRA. A.C.T. 2600.

PRESIDENT NIXON'S VISIT

Attached is a record of conversation with General Soepardjo, of the Indonesian Foreign Affairs Department, on matters which the Indonesians expect to arise in discussions with President Nixon. Our telegram No. 2002 refers. We are sending separately a record of a related conversation with Abu Bakar Lubis, Mr. Adam Malik's special adviser.

2. Copies of the attached record are being sent to Washington, Manila, Bangkok, Kuala Lumpur and Singapore.

(F. R. Dalrymple),
Minister

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File No. 221/5/2

AUSTRALIAN EMBASSY, DJAKARTA

Record of Conversation with General Soepardjo,
Head, Asia-Pacific Directorate,
Department of Foreign Affairs

On 24th July, 1969.

Officer Present F.R. Dalrymple

Main Subjects: President Nixon's Visit -
Vietnam - Laos - Regional
Stability.

I called to see Soepardjo on another matter but conversation quickly turned to President Nixon's imminent visit.

Vietnam

2. Soepardjo said that the big question obviously would be the Vietnam settlement and its implications for the future in terms of the security of the region. He expected that President Nixon would be mainly interested in finding out Indonesian reactions to an American withdrawal. He believed that President Nixon had decided on a withdrawal and would hope to make it as speedy as possible, consistent with avoiding creating a chaotic situation and prejudicing remaining or even permanent American interests in this part of the world. Soepardjo believed that the Americans hoped to use the President's round of visits to help them decide on the timing, disposition and management of the withdrawal from their present forward position.

3. Soepardjo said that of course the Indonesian public line was that the security and development of South East Asia would best be served by the withdrawal of foreign troops, including American forces in Vietnam. That was a principle of Indonesian foreign policy, but in practice of course it was necessary realistically to recognise that a hasty American withdrawal would be damaging to Indonesian interests. They would therefore say privately to President Nixon and his advisers that they hoped the American withdrawal would be carefully phased and not precipitate.

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4. I said I wondered whether this would be a very helpful position from President Nixon's point of view in terms of his problem of dealing with anti-war sentiment in the United States. Would it not be more helpful for President Nixon if he could, on his return, let it be known that President Soeharto of Indonesia, President Marcos of the Philippines, etc. etc. had all expressed the hope that, in the interests of regional stability, the withdrawal of United States forces from Vietnam would be carefully phased to coincide with progress towards a peaceful settlement of the war? Soepardjo said that it was out of the question for Indonesia to give the Americans permission to make such a statement and in any case it would serve no useful purpose. Rather they would say to Nixon that they believed the important thing was for him to assure the American people that he was withdrawing and would continue to withdraw American forces from Vietnam as soon as possible. If he could disarm domestic criticism and discontent by statements of this kind he could, in practice, phase the withdrawal to match the situation in Vietnam itself.

5. Soepardjo went on to give an account of what he said was the Foreign Affairs Department thinking about the political future of Vietnam. They believed that a reunified Vietnam would almost inevitably be a threat to its neighbours. If reunification produced a nationalistic and relatively independent (Titoist) state, all the indications were that the Vietnamese, with their energy and historical militancy, would turn to the absorption of Laos and Cambodia unless considerable constraints were placed upon them from outside. If, on the other hand, a reunified Vietnam were strongly under Peking influence it would equally be a threat to its neighbours and possibly a greater threat to Thailand, Malaysia and Singapore. All these considerations led to the conclusion that it was in Indonesia's interests that Vietnam, at least for some time to come, should remain divided. Soepardjo said that he believed that the Chinese too would prefer a divided Vietnam for the time being in view of the extent of current Russian influence in Hanoi.

6. As to any Indonesian role in Vietnam settlement arrangements, Soepardjo said some misunderstanding of the Government's position had been reflected in press reports. They had not said that Indonesia would be willing to provide troops under a United Nations arrangement. They had said only that, as members of the U.N., they

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- 3 -

would consider any request to contribute troops under a United Nations arrangement in Vietnam. It would be foolish to be less cautious than that at this stage when they did not even know whether there would be a U.N. supervisory or policing force in Vietnam after the settlement. If there were to be such a force, they would have to consider what its role would be and what would be the role of any Indonesian contingent. Who would they be securing against whom? Against what possible peace-breakers might they have to keep the peace? If they were to have a police role, who were they to protect against whom? There was nothing positive they could offer to anyone in terms of an Indonesian role in a Vietnam settlement, but they would of course consider any reasonable request within their very limited capabilities.

Laos

7. Taking up what Soepardjo had said about the prospective threat to Laos and Cambodia, I asked what sort of outside constraints he thought might be available, even in the immediate future, on the encroachment of the North Vietnamese Army in Laos and the fairly rapid loss of control of territory by the Laotian Government. Soepardjo said that in talking about the dangers which might be posed by a reunified Vietnam he had been thinking more in terms of the view which Indonesia knew from its own sources still existed in Hanoi that all of the former French Indo-China should be united as one country. The present North Vietnamese campaign in Laos was, he thought, connected more directly with the war in Vietnam and the talks in Paris. Soepardjo said he had just received a report from the Indonesian Charge d'Affaires in Vientiane which estimated that there were 40,000 North Vietnamese troops in Laos, and that the Laotian army was now virtually worthless as a fighting force. (Soepardjo commented that of course it had never been much good anyway.) The Laotians, he said, lacked the essential nationalistic spark to produce any sort of worthwhile army). With 40,000 troops in Laos, the North Vietnamese could overrun the country virtually at will. He then showed me a sketch map, in several colours and with various symbols, which was attached to the Charge d'Affaires report and which apparently showed the present position and thrust of the North Vietnamese forces. (The map was obviously meaningful to General Soepardjo, but it was not clear to me in the brief time I looked at it).

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Soepardjo said that Indonesia of course regretted what was happening in Laos but was powerless to do anything about it. There would be no point in their making representations in Moscow or elsewhere. In any case, they believed that neither the Russians nor the Chinese would want the Vietnamese to overthrow Souvannah Phouma's Government at this point. I said that it might nevertheless be argued that if countries like Indonesia kept entirely silent on these matters in relevant capitals where they had an opportunity to express a view they were, in effect, washing their hands of the matter. It seemed to me a pity if other Asian countries, especially the biggest ones, were simply to refuse to say or do anything about North Vietnamese activities in Laos on the grounds that only the Russians and Chinese could possibly have any influence on the matter.

Regional Stability

8. Turning to more general aspects of the post-Vietnam situation, Soepardjo said that the broad Indonesian view was of course that the security and stability of the region were most likely to be secured by economic progress of the countries in the region. At present Indonesia was weak and could herself make no effective contribution to the security of the region. Thailand, Malaysia, Singapore and the Philippines all had little if anything to contribute in terms of military strength or national power and influence. All these countries were, in one way or another, too weak to make any contribution to the security of the region. It was necessary to build them up economically so that they would have the national confidence and strength to look after themselves and the region which they shared.

9. Soepardjo said that ASEAN had already proved its value in damping down disputes between individual countries in the region. He did not believe that disputes like the Sabah issue would be an important problem in the future. There was an increasing political understanding of common interests. There was the political potential for co-operative security but not the strategic and logistic power. What was needed now was economic development to make the countries strong enough to help themselves. I commented that it might take twenty years, or even much longer, to achieve independent economic strength in the countries of the region. If the security of the

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region were said to depend on the development of national economic strength in the countries concerned, then we were speaking in the long term. But what about the immediate and medium-term future if, as Soepardjo had said, the American military presence must be withdrawn gradually in order to avoid a sort of domino-theory development seriously affecting Indonesia's interests? What did he see as providing the stability and security in the period, which might be quite long, between the reduction or (to use Soepardjo's own words) "substantial withdrawal" of American military power and the development of stronger and more viable economies in the countries of the region? In response to this question Soepardjo simply repeated what he had said before about the importance of economic development. Although I came back to the point later, Soepardjo seemed unable or unwilling to appreciate that the sort of economic development he was talking about would be a very much longer process than he had imagined, and that this would leave a big gap in his own account of regional security.

10. Soepardjo went on to say that the Brezhnev proposals were as yet too sketchy and vague to permit of any definite interpretation but, on the information available to the Department of Foreign Affairs so far, their assessment was that the Russians were thinking more along the lines of economic development and co-operation than in terms of security arrangements. To that extent, it might be said that the Russian approach had some similarity to the Indonesian approach which he had just expounded. I said I thought this might be a somewhat too comfortable assumption. Another possible explanation was that the Russians were probing in a situation where there seemed to be good opportunities for unbalancing existing arrangements and for increasing Russian influence to shut out the Chinese and to push ahead in places where the Western presence was weakening. Soepardjo said that of course the Soviet naval presence and other activities showed that "they are already here in South East Asia", but he thought the Russians had a real interest in striking a three-way balance in this part of the world with China and the United States. He did not think that they were interested in pushing further forward than would be consistent with the achievement of this balance.

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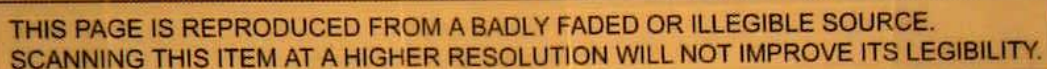
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- 6 -

11. Returning to his theme of economic development as the condition for the South East Asian countries being able to look after themselves, Soepardjo said that it was hoped to use next week's visit as an opportunity to emphasise to the United States President the importance which economic development of Indonesia had for the security of South East Asia. Without stability in Indonesia, there could be no regional stability and no regional security; and economic development was essential for stability in Indonesia. It was therefore obviously in the common interest to try to ensure that Indonesia did achieve economic development. Indonesia would need a great deal of assistance for some time to come if she were to be able to make economic progress at the necessary rate. The alternative was surely one which the United States must wish to avoid.

Report prepared by F. R. Dalrymple
(F. R. Dalrymple)
Minister



H. Bowdler
1-2A

23

SECOND NIGHTLEAD NIXON 2 DJAKARTA

MR. NIXON IS THE FIRST U.S. PRESIDENT TO VISIT
INDONESIA. HE IS ON A TOUR OF THE PHILIPPINES,
INDONESIA, THAILAND, PAKISTAN, INDIA,
ROMANIA AND BRITAIN.
MORE LATER VC

K. Boudin
1-2A

22

IN A PREPARED SPEECH TO WELCOME PRESIDENT NIXON AT THE AIRPORT, PRESIDENT SUHARTO SAID: "I HOPE THAT DURING YOUR PRESENT VISIT YOU MAY OBSERVE CLOSELY THE DETERMINATION AND THE EFFORTS OF THE PEOPLE OF INDONESIA IN BUILDING THEIR FUTURE."

“I ALSO EXPECT THAT OUR FORTHCOMING DISCUSSIONS WILL BE EXTREMELY VALUABLE IN EXCHANGING VIEWS RELATING TO VARIOUS PROBLEMS TOWARDS WORLD PEACE AND A MORE EXTENSIVE PEOPLE'S WELFARE PRECISELY BECAUSE TODAY THE NATIONS IN THE WORLD, PARTICULARLY IN ASIA, ARE STILL ALARMED BY THE THREAT OF WAR WHICH MENACES WORLD PEACE.



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h. B. Sullivan
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SECOND NIGHTLEAD NIXON 4 DJAKARTA

PRESIDENT SUHARTO SAID MR NIXON'S VISIT CONSTITUTED A NEW PAGE TO FOSTER MUTUAL UNDERSTANDING AND TO STRENGTHEN FRIENDLY RELATIONS AND TO EXPAND COOPERATION BETWEEN THE TWO COUNTRIES.

THE INDONESIAN LEADER SAID THAT THE UNITED STATES WAS NOT MERELY THE RICHEST COUNTRY IN THE WORLD, BUT WAS A NATION WHICH STRIVES FOR THE EQUALITY OF ALL MANKIND.

PRESIDENT SUHARTO SAID THAT ON BEHALF OF THE INDONESIAN PEOPLE HE WOULD LIKE TO CONGRATULATE THE UNITED STATES FOR ITS "EXTRAORDINARY ACHIEVEMENT IN THE MOON LANDING AND AS A MEMBER OF THE COMMUNITY OF NATIONS WE TAKE PRIDE IN YOUR BRILLIANT SUCCESS."

MORE VC

h. B. Sullivan
20

=AAP357 27 JUL 69 1919

SECOND NIGHTLEAD NIXON 5 DJAKARTA

PRESIDENT SUHARTO SAID THAT INDONESIA WAS GRATEFUL TO THE UNITED STATES BECAUSE "THE UNITED STATES OF AMERICA IS ONE AMONG MANY OTHER NATIONS WHICH COMPREHENDS OUR NATIONAL ASPIRATIONS.

"WE HIGHLY APPRECIATE THAT DURING THE DIFFICULT EARLY STAGES OF OUR DEVELOPMENT THE UNITED STATES AS A FRIENDLY COUNTRY HAS ONCE AGAIN SHOWED ITS UNDERSTANDING AND PROVIDED INDONESIA WITH THE NECESSARY ASSISTANCE."

MORE VC



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-AAP369 27 JUL 69 1935

SECOND NIGHTLEAD NIXON 7 DJAKARTA

PRESIDENT NIXON PLEDGED THAT HE WOULD NOT TRY TO CHANGE INDONESIAN PRESIDENT SUHARTO'S NON-ALIGNED POLICY IN WORLD AFFAIRS.

THE U.S. LEADER ASSURED PRESIDENT SUHARTO THAT HE WANTED INDONESIA TO BE A PILLAR OF POLITICAL AND ECONOMIC STABILITY IN ASIA BUT DID NOT INTEND TO ENTANGLE IT IN ANY DEFENCE LINKS IT DID NOT WANT.

"IT IS ON THE BASIS OF COMMON VALUES AND IDEALS AND NOT ON THE BASIS OF ALLIANCE OR ALIGNMENT THAT MY COUNTRY SEEKS TO COOPERATE WITH THE INDONESIAN REPUBLIC," HE DECLARED.

INDONESIA ALTHOUGH HE CAME HERE IN 1953 AS PRESIDENT EISENHOWER'S VICE-PRESIDENT WHEN DEPOSED PRESIDENT SUKARNO WAS IN POWER.

TODAY'S RECEPTION CONTRASTED SHARPLY WITH THE OCCASION WHEN SUKARNO, FLIRTING WITH THE COMMUNISTS, TOLD THE UNITED STATES TO GO TO HELL.

MR NIXON CAME HERE TO BRIEF PRESIDENT SUHARTO ON HIS NEW PACIFIC POLICY REQUIRING ASIAN COUNTRIES TO TAKE OVER FULL RESPONSIBILITY FOR THEIR OWN DEFENCE AND RELIEVING THE U.S. OF THE NEED TO FIGHT ANY MORE VIETNAM-TYPE WARS.

THIS WAS HIS THEME YESTERDAY IN THE PHILIPPINES, FIRST STOP ON A FIVE-NATION TOUR OF ASIA AND WHERE PRESIDENT FERDINAND MARCOS GAVE HIM HIS FULL SUPPORT DESPITE DOUBTS ASIA COULD MEET A 17-YEAR DEADLINE SET BY THE U.S.

MORE VC

R. B. ...
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-AAP369 27 JUL 69 2007

SECOND NIGHTLEAD NIXON 9 DJAKARTA

MR NIXON QUOTED IN HIS STATEMENT FROM THE RITUAL PRAYERS OF THE ISLAMIC RELIGION--INDONESIA IS THE BIGGEST MOSLEM COUNTRY IN THE WORLD--WITH THE WORDS "PEACE BE UPON US ALL."

HE ADDED: "I BELIEVE THAT IS THE PRAYER TODAY OF ALL MEN EVERYWHERE, MEN OF ALL RELIGIONS AND ALL POLITICAL SYSTEMS."

"BUT THAT PRAYER WILL BE ANSWERED ONLY AS MEN COME TO THINK MORE ABOUT THE THINGS THEY HAVE IN COMMON, THE THINGS THAT UNITE THEM AND LESS ABOUT THE THINGS WHICH DIVIDE THEM AND DRIVE THEM APART."

THE U.S. PRESIDENT SAID AMERICANS RESPECTED INDONESIA AS A PROUD AND INDEPENDENT COUNTRY AND BELIEVED IT COULD HAVE A GREAT INFLUENCE FOR GOOD EVERYWHERE.

"IT IS ON THE BASIS OF COMMON VALUES AND IDEALS AND NOT ON THE BASIS OF ALLIANCE OR ALIGNMENT THAT MY COUNTRY SEEKS TO COOPERATE WITH THE INDONESIAN REPUBLIC," HE SAID.

AAP-REUTER VC

R. B. ...
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L. B. G. B. G.
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=AAP389 27 JUL 69 2151

THIRD NIGHTLEAD NIXON

DUAKARTA, JULY 27, AAP - PRESIDENT NIXON SAID TODAY THE NUCLEAR
UMBRELLA QUESTION SPEAKS FOR ITSELF IN INTERNATIONAL RELATIONS AND
HE IS NOT GOING TO EXTEND ANY NEW U.S. COMMITMENTS DURING HIS
GLOBE-CIRCLING TOUR, THE ASSOCIATED PRESS REPORTED.

PRESIDENT NIXON GAVE THIS RESPONSE WHEN ASKED, EN ROUTE TO
INDONESIA FROM MANILA, ABOUT WHAT NUCLEAR DEFENCE SHIELD MIGHT BE
AFFORDED NON-NUCLEAR-NON-COMMUNIST COUNTRIES WITHIN POTENTIAL
STRIKING RANGE OF ATOMIC-ARMED COMMUNIST CHINA.

THE PRESIDENT HAD JUST LEFT THE PHILIPPINES, A U.S. ALLY
PROTECTED BY A DEFENCE TREATY WITH THE UNITED STATES. INDONESIA
IS A NEUTRAL WITHOUT ANY SUCH TREATY COMMITMENTS FROM A NUCLEAR
POWER.

MORE LRF



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R. B. ...
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TO
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THIRD NIGHTLEAD NIXON 2 DJAKARTA
MR. NIXON SAID THE UNITED STATES OF COURSE WAS INVOLVED IN NUCLEAR MATTERS BUT HE DID NOT BELIEVE IN TALKING BIG.

THE NUCLEAR UMBRELLA QUESTION WAS SOMETHING THAT SPOKE FOR ITSELF AND THERE WERE CERTAIN FACTS OF INTERNATIONAL LIFE THAT WERE OBVIOUS, HE SAID.

MR. NIXON'S PREDECESSOR, LYNDON JOHNSON, ISSUED A STATEMENT WARNING AGAINST NUCLEAR BLACKMAIL BY COMMUNIST CHINA DURING A JOHNSON TRIP TO THIS AREA IN 1966.

THAT WAS AFTER PEKING HAD JUST MADE A NEW STRIDE IN ITS DEVELOPMENT OF ATOMIC WEAPONRY.

MR. NIXON SPOKE TO NEWSMEN ABOARD THE PRESIDENTIAL AIRLINER AS IT HEADED TO THE INDONESIAN CAPITAL UNDER RULES BARRING DIRECT QUOTATION OF HIS REMARKS.

MORE TG

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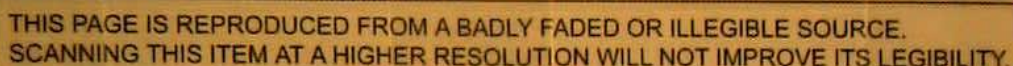
THIRD NIGHTLEAD NIXON 3 DJAKARTA

ON OTHER POINTS, MR. NIXON SAID:

HE IS STRESSING U.S. ECONOMIC RATHER THAN MILITARY HELP IN THE POST-VIETNAM-WAR POLICY HIS ADMINISTRATION IS NOW DEVELOPING TOWARD ASIA.

ASIAN LEADERS HAVE BEEN CONCERNED, EVEN MORE SO IN PRIVATE TALKS THAN IN PUBLIC STATEMENTS, ABOUT WHAT IS INVOLVED IN WITHDRAWAL OF U.S. TROOPS FROM VIETNAM. NON-COMMUNIST COUNTRIES ARE JITTERY BECAUSE THEY KNOW THAT IF THE UNITED STATES PULLS OUT OF ASIA THE VACUUM WILL BE FILLED BY ONE OF THE OTHER TWO MAJOR POWERS, PROBABLY COMMUNIST CHINA.

AAP TG



K. Barden
rdr

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DAYLEAD NIXON 9 DJAKARTA



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R. K. ...
RAF

#AAB031 28 JUL 69 0354

DAYLEAD NIXON 3 DJAKARTA

THE WHITE HOUSE SPOKESMAN REPORTED THAT THE TWO PRESIDENTS WOULD BROADEN THEIR OWN DISCUSSIONS TODAY TO INCLUDE VIETNAM, THE PRESENT SITUATION IN SOUTH-EAST ASIA, AND WHAT IT MIGHT BE WHEN THE VIETNAM WAR ENDS. 14

PRESIDENT NIXON APPEARED TO PLEASE PRESIDENT SUHARTO WITH A PLEDGE THAT HE WOULD NOT TRY TO CHANGE INDONESIA'S NON-ALIGNED POSTURE.

THE U.S. LEADER SAID HE WANTED INDONESIA TO BECOME A PILLAR OF POLITICAL AND ECONOMIC STRENGTH WITHOUT BECOMING ENTANGLED IN ANY DEFENCE TIES IT DID NOT SEEK.

AT THE SAME TIME, MR. NIXON SEEMED TO INDICATE IN INFORMAL REMARKS TO REPORTERS THAT AMERICA'S MILITARY POWER COULD BE CONSIDERED AS AN UMBRELLA FOR ASIAN COUNTRIES SUCH AS INDONESIA IF THEY WANTED IT IN THE EVENT OF AN ATTACK BY CHINA.

MORE GC

#AAB032 28 JUL 69 0356

DAYLEAD NIXON 4 DJAKARTA

THOUSANDS OF INDONESIANS WAVING FLAGS LINED BOTH SIDES OF THE ROUTE FROM THE AIRPORT TO DJAKARTA WHEN PRESIDENT NIXON AND HIS WIFE ARRIVED.

MR. NIXON AND PRESIDENT SUHARTO MET FOR 30 MINUTES AT MERDEKA (FREEDOM) PALACE, AND THEN DROVE WITH THEIR WIVES TO THE DJAKARTA FAIR, HELD TO CELEBRATE THE CITY'S 442ND ANNIVERSARY.

THEY WATCHED MASSES BALINESE DANCERS AND INSPECTED PAVILIONS DISPLAYING PLANS FOR THE DEVELOPMENT OF DJAKARTA AND INDONESIA BEFORE FLYING FOR A SHORT RECEPTION FOLLOWED BY A STATE BANQUET AND A CULTURAL SHOW.

MRS. NIXON VISITED A NEARBY ORPHANAGE AND A WORKSHOP FOR HAND-ICAPPED CHILDREN DURING THE TALKS BETWEEN MR. NIXON AND PRESIDENT SUHARTO.

THE AMERICAN PARTY WILL LEAVE FOR BANGKOK AT 1530 AEST.

MORE GC

#AAB033 28 JUL 69 0359

DAYLEAD NIXON 5 DJAKARTA

MEANWHILE, PRESIDENT NIXON IS EXPECTED TO ARRIVE AT BANGKOK TODAY AT 1945 AEST.

HOW AMERICA'S NEW POLICY WILL AFFECT THAILAND'S SECURITY IS THE OBJECT OF CONCERN IN BANGKOK.

THE PRIME MINISTER, FIELD-MARSHAL THANON KITTIKACHORN AND FOREIGN MINISTER, MR. THANAT KHOMAH, ARE LIKELY TO PUT THAILAND'S INTERNAL SECURITY PROBLEM AND NORTH VIETNAMESE MILITARY SUCCESSSES IN LAOS HIGH ON THE LIST OF SUBJECTS TO BE DISCUSSED WITH MR. NIXON.

AAP REUTER GC

3034/11/161

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DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

CONFIDENTIAL

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I.74752

27/7/69

TOD 25.1605 LT

FROM

TOR 25.2031 LT

AUSTRALIAN EMBASSY
DJAKARTA

2002 CONFIDENTIAL

ADDRESSED CANBERRA 2002, REPEATED WASHINGTON 17.

PRESIDENT NIXON'S VISIT

WE HAVE HEARD FROM AMERICAN EMBASSY SOME CONCERN ABOUT PROSPECTS FOR THE PRESIDENTIAL DISCUSSIONS.

THE AMERICANS THINK THAT SOEHARTO MAY WANT TO TAKE OPPORTUNITY TO BRIEF NIXON EXTENSIVELY ON THE FIVE YEAR DEVELOPMENT PLAN AND NEED FOR ADDITIONAL AID COMMITMENTS, INCLUDING EXPANDED MILITARY ASSISTANCE PROGRAMME.

PRESIDENT NIXON HAS, HOWEVER, MADE IT CLEAR THAT THIS IS NOT WHAT HE WANTS.

EMBASSY'S ADVICE IS THAT PRESIDENT IS NOT INTERESTED IN A REVIEW OF THE AMERICAN AID COMMITMENT ON THIS OCCASION.

EMBASSY HAS BEEN WORKING ON FOREIGN OFFICE AND PRESIDENTIAL ADVISORS TO TRY TO ENSURE THAT DISCUSSIONS (IN PARTICULAR BETWEEN THE TWO PRESIDENTS) ARE DIRECTED TOWARDS AN ENQUIRY ABOUT THE FUTURE OF THE REGION AFTER VIETNAM AND THE ROLE WHICH INDONESIA MIGHT BE ABLE TO PLAY.

THEY SAY THEY WANT TO FIND OUT WHAT INDONESIA WOULD WISH TO SEE EMERGE IN THE REGION AFTER A VIETNAM SETTLEMENT AND HOW INDONESIA WOULD THINK THOSE OBJECTIVES MIGHT BE ACHIEVED.

2. FROM OUR OWN CONVERSATIONS WITH SENIOR FOREIGN OFFICE OFFICIALS (REPORTS BY BAG) WE BELIEVE SOEHARTO WILL ASK FOR A STRONGER OR INCREASED AID COMMITMENT BUT THAT THAT REQUEST WILL BE APPROACHED MORE SUBTLY THAN AMERICANS EXPECT AND WILL EMERGE FROM POLITICAL AND STRATEGIC DISCUSSION THE AMERICANS HAVE REQUESTED.

3. THE FOREIGN OFFICE BELIEVES THAT NIXON'S PRINCIPAL PURPOSE IS TO USE THE PRESENT ROUND OF VISITS TO HELP HIM DECIDE ON THE TIMING, DISPOSITION AND PRESENTATION OF UNITED STATES WITHDRAWAL FROM THEIR PRESENT FORWARD POSITION.

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INWARD CABLEGRAM

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ON THIS INDONESIANS WILL SAY THAT THEY HOPE THE AMERICAN WITHDRAWAL WILL BE CAREFULLY PHASED AND NOT PRECIPITATE.

BUT THEY ARE NOT WILLING TO CHANGE THEIR PUBLIC POSITION ON THE WITHDRAWAL OF ALL FOREIGN FORCES TO EXTENT OF LETTING NIXON MAKE PUBLIC REFERENCE FOR DOMESTIC CONSUMPTION IN UNITED STATES TO THEIR DESIRE THAT AMERICAN FORCES BE RETAINED IN ASIA ON GRADUALLY DECREASING SCALE RATHER THAN WITHDRAWN FAIRLY RAPIDLY.

IN FACT, IN RECENT MONTHS INDONESIAN STATEMENTS HAVE GUARDEDLY ACKNOWLEDGED THE IMPORTANCE OF THE UNITED STATES' ROLE IN ASIA AND THE NEED TO AVOID SUDDEN TROOP WITHDRAWAL.

BUT THOSE STATEMENTS HAVE BEEN MADE UNILATERALLY AND AT TIMES AND IN CONTEXTS OF THEIR OWN CHOOSING.

4. ON FUTURE STABILITY AND SECURITY OF THE REGION AND INDONESIA'S ROLE, FOREIGN OFFICE THINKING IS NOT ALONG THE LINES WHICH NIXON MAY BE SEEKING.

REDUCED TO ITS ESSENTIALS, THIS THINKING IS THAT INDONESIA - AND FOR THAT MATTER THE OTHER SOUTH EAST ASIAN STATES - ARE TOO WEAK TO MAKE ANY EFFECTIVE CONTRIBUTION TO THE SECURITY OF THE REGION ('THE SUM OF A ROW OF ZEROS IS STILL ZERO').

THESE COUNTRIES ARE, HOWEVER, IN THE ASEAN FORUM, DEVELOPING A MUCH GREATER CAPACITY TO UNDERSTAND ONE ANOTHER'S POINTS OF VIEW AND TO LIVE SIDE BY SIDE.

THERE IS THE POLITICAL POTENTIAL FOR MEANINGFUL SECURITY CO-OPERATION BUT NOT YET THE ECONOMIC AND LOGISTIC STRENGTH.

THE REQUIREMENT FOR THE STABILITY AND SECURITY OF SOUTH EAST ASIA IS THEREFORE TO DEVELOP THE REGIONAL COUNTRIES TO THE POINT WHERE THEY ARE STRONG ENOUGH TO LOOK AFTER THEMSELVES.

ALL THE EMPHASIS IS THEREFORE ON ECONOMIC DEVELOPMENT, AND THIS IS SAID TO BE SOMETHING WHICH THE COUNTRIES CONCERNED ARE UNABLE TO ACHIEVE WITHOUT CONSIDERABLE OUTSIDE ASSISTANCE.

IN THE PARTICULAR CASE OF INDONESIA, STABILITY IS DEPENDENT ON ECONOMIC DEVELOPMENT.

THERE CAN BE NO REGIONAL STABILITY WITHOUT STABILITY IN INDONESIA AND THUS THE STABILITY OF THE REGION DEPENDS ON THE ECONOMIC DEVELOPMENT OF INDONESIA.

IT IS THUS THAT THE INDONESIANS PROPOSE TO TURN THE NIXON TALKS ON TO THE NEED FOR SUSTAINED AND SUBSTANTIAL FOREIGN AID.

THEY ARE WELL AWARE THAT THEIR POSITION ON VIETNAM IS WASK AND EVEN PASSIVE AND THEY WILL TEND TO BE ON THE DEFENSIVE ON BROADER VIETNAM ISSUES.

5. THE FOREIGN OFFICE TELL US THAT THERE IS A SHARP ARGUMENT GOING ON BETWEEN THEM AND SOME OF THE MILITARY OVER THE LATTER'S DESIRE TO REQUEST MILITARY HARDWARE FROM PRESIDENT NIXON.

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INWARD CABLEGRAM

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THE FOREIGN OFFICE SAY THAT MILITARY ASSISTANCE REQUESTS SHOULD BE LIMITED STRICTLY TO ITEMS NEEDED IN MILITARY CIVIC ACTION WORK AND DIRECTLY RELATED TO THE ECONOMIC DEVELOPMENT LINE OF ARGUMENT.

THEY ARE OPTIMISTIC THAT SOEHARTO WILL TAKE THEIR ADVICE RATHER THAN THAT OF THE MILITARY ON THIS POINT.

JOCKEL.

MIN. AND DEPT. OF E.A.
MIN. AND DEPT. OF DEFENCE
D.C.O.
P.M.'S

SEC DEP SEC FAS(1) AS(JIC) INT SEA M AND IO DL FAS(2)
PACAM AMSP FAS(3) FAS(4) EAMEC ICR PIO
WASHINGTON

CONFIDENTIAL

CONFIDENTIAL



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SCANNING THIS ITEM AT A HIGHER RESOLUTION WILL NOT IMPROVE ITS LEGIBILITY.

-AAP217 24 JUL 69 1702
TALKS

3034/11/161 *h. Bondion*
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DJAKARTA, JULY 24, AAP-REUTER -- INDONESIA FOREIGN MINISTER ADAM MALIK HAS ANNOUNCED HE WILL HOLD TALKS WITH U.S. SECRETARY OF STATE WILLIAM ROGERS ON AUGUST 4 ON THE ISLAND OF BALI, EAST OF JAVA.

THE INDONESIA AMBASSADOR TO THE UNITED STATES, SUDJATMOKE, MET MR. MALIK LAST NIGHT TO DISCUSS THE FORTHCOMING VISIT OF PRESIDENT NIXON WHO WILL ARRIVE HERE ON SUNDAY.

PRESIDENT NIXON WILL BE ACCOMPANIED BY MR. ROGERS DURING HIS 26-HOUR VISIT TO DJAKARTA.

MR ROGERS IS EXPECTED TO RETURN TO DJAKARTA ON AUGUST 4 FOR TALKS WITH MR MALIK.

WHILE MR. NIXON AND HIS HOST PRESIDENT SUHARTO, CONTINUE THEIR TALKS ON MONDAY MORNING THEIR WIVES WILL VISIT AN ORPHANAGE AND A WORKSHOP FOR HANDICAPPED CHILDREN AT DJAKARTA'S SUBURB OF KEBAJARAN.
AAP-REUTER VC

UPI-048
FAIR 7/25

3034/11/161 *h. Bondion*
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DJAKARTA (UPI)-- INDONESIA'S PRESENT ECONOMY AND ITS PLANNED FUTURE LIKELY WILL BE THE MAIN OBJECT OF U.S. PRESIDENT NIXON'S ATTENTION WHEN HE VISITS THE DJAKARTA TRADE FAIR ON SUNDAY EVENING.

GRAPHS AND MODELS ON DISPLAY IN VARIOUS GOVERNMENT PAVILLIONS HAVE FOR THE PAST MONTH PRESENTED TO THE INDONESIA PUBLIC THE ECONOMIC PROBLEMS INHERITED FROM THE SUKARNO ADMINISTRATION. A SPECIAL PAVILLION DISPLAYS THE PLANS FOR WHAT INDONESIA HOPES TO ACHIEVE IN THE NEXT FIVE YEARS-- A RETURN TO THE LEVEL OF RELATIVE PROSPERITY IT ENJOYED DURING THE EARLY 50S, THE FIRST YEARS OF ITS INDEPENDENCE.

ACCORDING TO THESE PLANS, DRAWN WITH THE HELP OF AMERICAN EXPERTS AND TO BE EXECUTED WITH MASSIVE U.S. ASSISTANCE, RICE PRODUCTION IS TO INCREASE FIFTY PERCENT DURING THE NEXT FIVE YEARS.

THE PRODUCTION OF NATURAL OIL IS TO INCREASE BY OVER 50 PERCENT, TIN BY NEARLY 50 PERCENT BAUXITE BY 20 PER CENT. RUBBER PRODUCTION FOR DOMESTIC CONSUMPTION IS TO DOUBLE WITHIN THE SAME PERIOD TO STOP INDONESIA'S DEPENDENCE ON IMPORTS WHICH NOW COMES MOSTLY FROM JAPAN. THE INDONESIAN PLANS LAYS HEAVY EMPHASIS ON THE DEVELOPMENT OF AGRICULTURE.

THE AMERICAN PRESIDENT MAY VISIT THE UNITED STATES PAVILLION, ONE OF THE MOST ATTRACTIVE AMONG PAVILLIONS OF WESTERN NATIONS (NO COMMUNIST BLOC COUNTRIES ARE PARTICIPATING IN THE FAIR).

THE PICUTRES, MODELS AND FILMS SHOWING THE U.S. PROGRESS IN ITS SPACE PROGRAM ARE POPULAR WITH INDONESIANS.
MORE-PC/337A/

UPI-49
FAIR 7/25

1ST ADD FAIR DJAKARTA XXX INDONESIANS.
DURING THE LAUNCHING AND MOON LANDING OF APOLLO 11 CROWDS OF INDONESIANS JAMMED THE HALL

S IN THIS PAVILLION WHERE A TELEVISION SCREEN SHOWED THE FLIGHT'S PROGRESS. MANY COME TO SEE ONLY THE FLIGHT PARA.

ALSO ON DISPLAY IN THE U.S. PAVILLION ARE POSTERS, PICTURES AND PRODUCTS PUT OUT BY THE MANY U.S. FIRMS NOW AGAIN OPERATING IN INDONESIA AFTER AN ABSENCE OF YEARS. SUKARNO TOLD THE U.S. GOVERNMENT +TO HELL WITH YOUR AID+, -(UPI)-
PC/340A/



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UPI-296X

INDONESIA 7/24

WITH NIXON

DJAKARTA (UPI)--NO JOINT COMMUNIQUE WILL BE ISSUED AT THE END OF U.S. PRESIDENT NIXON'S VISIT TO INDONESIA JULY 27-28, IT WAS REPORTED THURSDAY.

MAJ. GEN. ALAMSJAH, CHIEF OF THE STATE SECRETARIATS OFFICE, AFTER PRESIDENT SUHARTO MET WITH TOP CABINET MINISTERS, SAID A PRESS BRIEFING WILL BE GIVEN INSTEAD OF A COMMUNIQUE.

HE TOLD NEWSMEN INDONESIA IS READY TO OFFER SUGGESTIONS OR ANSWERS DURING PRIVATE MEETINGS SUNDAY AFTERNOON AND MONDAY MORNING BETWEEN NIXON AND SUHARTO.

ALAMSJAH ALSO SAID THE CABINET MEETING THURSDAY AT THE STATE PALACE TOOK UP THE TOPICS THAT MIGHT BE TAKEN UP DURING THE NIXON-SUHARTO MEETINGS. HE DID NOT ELABORATE.

BUT HE SAID SUHARTO MAY BRING UP THE SUBJECT OF FUTURE U.S. ECONOMIC AID, TO INDONESIA.

THE GENERAL ALSO INDICATED U.S. STATE SECRETARY WILLIAM ROGERS MAY CONFER WITH INDONESIAN FOREIGN MINISTER ADAM MALIK DURING ROGER'S VISIT TO BALI ISLAND EARLY AUGUST.

MEANWHILE THE INFORMATION MINISTRY ANNOUNCED THAT 200 INDONESIAN AND FOREIGN JOURNALISTS STATIONED IN DJAKARTA HAD BEEN REGISTERED TO COVER THE NIXON VISIT. ABOUT 350 NEWSMEN ARE COMING WITH THE U.S. PRESIDENT.

NIXON AND HIS PARTY IS SCHEDULED TO ARRIVE HERE SUNDAY AFTERNOON FROM MANILA. (UPI)

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UPI-258X

INDONESIA 7/23

WITH NIXON

DJAKARTA (UPI)--PRESIDENT NIXON EXPECTS TO VISIT THE DJAKARTA FAIR SUNDAY AFTERNOON, THE U.S. EMBASSY WEDNESDAY ANNOUNCED.

THIS WILL BE NIXON'S ONLY SCHEDULED PUBLIC APPEARANCE DURING HIS JULY 27-28 STATE VISIT.

AN EMBASSY SPOKESMAN SAID NIXON AND PRESIDENT SUHARTO WOULD HOLD PRIVATE TALKS SUNDAY AFTERNOON AND WOULD MEET AGAIN MONDAY IN PRIVATE. WHILE THE TWO PRESIDENTS CONFER MONDAY, MRS. SUHARTO WILL ACCOMPANY MRS. NIXON ON A VISIT TO AN ORPHANAGE IN A DJAKARTA SUBURB AND TO A WORKSHOP FOR HANDICAPPED CHILDREN.

THE NIXON PARTY IS EXPECTED TO ARRIVE AT KEMAYORAN AIRPORT AT ABOUT 2 P.M. (0700 GMT) SUNDAY FROM MANILA. THERE WILL BE A MOTORCADE FROM THE AIRPORT TO THE PRESIDENTIAL PALACE, WHERE THE NIXON'S WILL SPEND THE NIGHT. THE NIXON PARTY IS EXPECTED TO LEAVE AT ABOUT NOON (0500 GMT) FOR BANGKOK.

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DEPARTMENT OF EXTERNAL AFFAIRS
INWARD CABLEGRAM

MA I.68940
10/7/69 TOD 092020 LT
FROM TOR 101040 LT
AUSTRALIAN EMBASSY
WASHINGTON

4283 CONFIDENTIAL

ADDRESSED CANBERRA 4283, REPEATED DJAKARTA OP611,
KUALA LUMPUR OP 612, MOSCOW 36, LONDON 311.

INDONESIA : NIXON'S VISIT.

WE SPOKE YESTERDAY TO MASTERS (COUNTRY DIRECTOR FOR
INDONESIA, STATE) ABOUT NIXON'S FORTHCOMING VISIT TO DJAKARTA.

2. MASTERS SAID THE VISIT WOULD BE A VERY SHORT ONE FROM 4. P.M.
ON 27TH TO 11 A..M. ON 28TH.

A TWO-HOUR DISCUSSION WITH SUHARTO WAS SCHEDULED.

THERE WERE NO BILATERAL MATTERS THAT NEEDED TO BE DISCUSSED
BUT THERE WERE TWO BROAD AREAS IN WHICH THERE WAS EXPECTED TO
BE USEFUL DISCUSSION.

3. IN THE FIELD OF U.S. - INDONESIAN ECONOMIC RELATIONS,
IT WAS EXPECTED THAT INDONESIA WOULD SEEK THE REAFFIRMATION
OF U.S. SUPPORT FOR ITS ECONOMIC POLICIES AND ASSURANCES THAT
UNITED STATES WOULD CONTINUE TO PROVIDE ASSISTANCE DURING THE
NEXT PHASE OF INDONESIA'S ECONOMIC DEVELOPMENT PLAN.

THE INDONESIANS WERE EXPECTED ALSO TO RAISE THE DEBT
PROBLEM.

MASTERS SAID HE HAD NO FURTHER INFORMATION TO THAT CONTAINED
IN OUR 4031 ON THE ABS' PROPOSALS.

ABS' REPORT, WHICH HAD BEEN EXPECTED AT THE END OF JUNE,
WAS NOT NOW EXPECTED TO BE AVAILABLE IN WASHINGTON UNTIL
THE END OF JULY.

MASTERS THOUGHT ABS MAY HAVE STRUCK SOME DIFFICULTIES IN
HIS DISCUSSIONS WITH WESTERN EUROPEAN DONORS.

NIXON WOULD PROBABLY SUPPORT THE GENERAL LINE OF ABS' PROPOSALS
AS ORIGINALLY FORMULATED TO THE AMERICANS BUT POINT OUT THAT THE
UNITED STATES WOULD HAVE SOME LEGAL DIFFICULTIES TO OVERCOME
BEFORE THEY COULD BE FORMALLY ACCEPTED.

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INWARD CABLEGRAM

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4. IN THE FOREIGN POLICY FIELD THE INDONESIANS WERE EXPECTED TO SEEK A U.S. STATEMENT OF SUPPORT FOR INDONESIA'S POLICY OF NON-ALIGNMENT.

MASTERS THOUGHT THAT NIXON WOULD AGREE TO MAKE ONE.

5. THE INDONESIANS WERE ALSO EXPECTED TO ASK NIXON TO EXPLAIN HIS VIETNAM POLICY AND TO DISCUSS REGIONAL SECURITY ARRANGEMENTS IN SOUTHEAST ASIA POST-VIETNAM.

MASTERS DID NOT KNOW WHAT NIXON WOULD SAY ABOUT VIETNAM.

HE COMMENTED THAT NIXON HAD HIS OWN IDEAS AND WE GATHERED THAT THESE HAD NOT BEEN DISCLOSED BELOW THE TOP LEVEL IN THE STATE DEPARTMENT.

IN MASTERS' VIEW, THE INDONESIANS WOULD EXPRESS THE HOPE THAT THE AMERICANS WOULD NOT PULL OUT TOO SUDDENLY AND THAT TROOP WITHDRAWALS SHOULD BE PHASED CAREFULLY AND THE EFFECTS OF THE WITHDRAWAL POLICY ASSESSED AT REGULAR INTERVALS.

HE HAD THE IMPRESSION THAT THE INDONESIANS WERE MORE OPTIMISTIC THAN THEY HAD BEEN A YEAR AGO ABOUT POLITICAL PROSPECTS IN SOUTH VIETNAM.

INDONESIA NOW REGARDED THIEU MORE FAVOURABLY THAN THEY HAD.

6. ON THE QUESTION OF REGIONAL SECURITY, MASTERS THOUGHT INDONESIA'S LONG TERM VIEW WAS THAT EACH COUNTRY IN SOUTH EAST ASIA SHOULD BE RESPONSIBLE FOR ITS OWN SECURITY AND THAT THERE SHOULD BE NO BILATERAL SECURITY ARRANGEMENTS WITH THE UNITED STATES.

THIS INDONESIAN VIEW RESTED ON TWO MAJOR ASSUMPTIONS: THAT THE UNITED STATES WOULD (A) PROVIDE THE NUCLEAR UMBRELLA TO COUNTER THE THREAT OF CHINESE AGGRESSION, AND (B) CONTINUE TO GIVE SOUTH EAST ASIAN COUNTRIES THE SUPPORT NECESSARY FOR THE DEVELOPMENT OF THEIR ECONOMIES.

MASTERS WAS NOT SPECIFIC AS TO HOW NIXON WOULD HANDLE THE QUESTION OF REGIONALISM.

7. MASTERS SAID IT WAS POSSIBLE INDONESIA WOULD RAISE THE MILITARY AID QUESTION AND REQUEST AN INCREASE IN THE SIZE AND NATURE OF THE UNITED STATES MILITARY ASSISTANCE PROGRAMME.

SUHARTO WAS BEING PRESSURED BY THE AIRFORCE AND THE NAVY TO REPLACE OBSOLETE SOVIET EQUIPMENT.

THIS QUESTION COULD BE A TRICKY ONE FOR THE UNITED STATES. AT PRESENT U.S. MILITARY AID WAS LIMITED TO SUPPORT OF CIVIC ACTION AND TRAINING PROGRAMMES AND IT WAS HOPED TO KEEP IT LIMITED.

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INWARD CABLEGRAM

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IT WAS HOPED THAT NIXON WOULD BE ABLE TO DEFLECT INDONESIA'S QUERIES BY STRESSING THE EMPHASIS THE UNITED STATES WERE PLACING ON ECONOMIC AID.

WHEN AND IF THE MAP PROGRAMME WERE TO BE INCREASED, THE EMPHASIS WOULD BE ON TRANSPORTATION AND COMMUNICATIONS EQUIPMENT.

IN ANSWER TO OUR QUESTION MASTERS GAVE NO INDICATION THAT THE ADMINISTRATION HAD ANY NEW MILITARY AID PROGRAMME IN THE MILL.

8. MASTERS SAID THAT NIXON WOULD NOT RAISE THE QUESTION OF WEST IRIAN.

IF IT WERE RAISED NIXON WOULD TAKE THE LINE THAT THE UNITED STATES HAD NO RESPONSIBILITIES UNDER THE 1962 AGREEMENT AND THAT U.S. INVOLVEMENT IN THE ISSUE WOULD BE NEITHER ADVISABLE NOR APPROPRIATE.

ALONG WITH OTHER INTERESTED COUNTRIES THE UNITED STATES WOULD AWAIT THE SECRETARY GENERAL'S REPORT.

9. ASKED ABOUT NIXON'S MOTIVES FOR INCLUDING A VISIT TO INDONESIA ON HIS ITINERARY, MASTERS SAID THAT NIXON WAS "EXTREMELY INTERESTED" IN INDONESIA.

HE HAD BEEN IMPRESSED BY THE ECONOMIC PROGRESS MADE UNDER SUHARTO AND HE NO DOUBT WISHED TO GET A FIRST HAND IMPRESSION OF INDONESIA AT THE PRESENT STAGE OF ITS DEVELOPMENT.

NIXON ALMOST CERTAINLY WOULD NOT HAVE VISITED INDONESIA HAD THE COUNTRY NOT BEEN MAKING PROGRESS.

MASTERS THOUGHT THAT THE VISIT WOULD PROVIDE NIXON WITH A GOOD OPPORTUNITY TO GIVE A PAT ON THE BACK TO THE INDONESIAN GOVERNMENT'S ECONOMIC GROUP AND TO PRAISE ITS POLICIES.

THERE WAS SOME BENEFIT TO BE DERIVED FROM "STIFFENING SUHARTO'S BACK" AT THE PRESENT TIME.

MIN AND DEPT E.A.
MIN AND DEPT DEFENCE
TREASURER AND TREASURY
P.M.'S. DEPT
D.C.O.
P.M.'S.

SEC DEP SEC FAS(1) AS(JIC) INT SEA M AND I M DL
FAS(2) UN PACAM SA EA AMSP PPO FAS(3) ER AID FAS(4)
EAMEC E ICR PIO

DJAKARTA LONDON KUALA LUMPUR MOSCOW

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DEPARTMENT OF EXTERNAL AFFAIRS

INWARD CABLEGRAM

PMB

1.67501

7/7/69

TOD 6.1900 LT

FROM

TOR 7.0922 LT

AUSTRALIAN EMBASSY
WASHINGTON

4174. UNCLASSIFIED PRIORITY.

ADDRESSED CANBERRA 4174 REPEATED MANILA OP.588 DJAKARTA OP.589
BANGKOK OP.590 NEW DELHI OP.591 RAWALPINDI OP.592

PRESIDENT'S VISIT TO ASIA.

THE FOLLOWING STORY PUBLISHED IN TODAY'S NEW YORK TIMES GIVES
DETAILS OF PRESIDENT NIXON'S SCHEDULE ON HIS FORTHCOMING VISIT TO
ASIA AND RUMANIA.

TEXT BEGINS.

MIAMI, JULY 5 - THE WHITE HOUSE ANNOUNCED TODAY THAT PRESIDENT
NIXON WOULD MAKE A THREE-DAY STOPOVER IN BANGKOK AT THE END OF THE
MONTH DURING HIS 11-DAY TRIP TO ASIA AND RUMANIA.

RONALD L. ZEIGLER, THE PRESIDENT'S PRESS SECRETARY, SAID THAT
THE STOPOVER WOULD GIVE MR. NIXON AN OPPORTUNITY FOR SOME RELAXATION
AFTER THE FAST PACE OF THE EARLY PART OF HIS TRIP.

THE STOPOVER IN THAILAND WOULD ALSO GIVE THE PRESIDENT'S
"BIOLOGICAL TIME CLOCK" AN OPPORTUNITY TO ADJUST AFTER FOUR DAYS
OF JET-SPEED TRAVEL FROM EAST TO WEST.

EXPERIENCED TRAVELERS USUALLY SCHEDULE THEIR TRIPS TO PROVIDE
LAYOVER TIME AFTER LONG JET FLIGHTS.

MR. ZEIGLER SAID THAT MR. NIXON - WHO IS SPENDING A LONG
HOLIDAY WEEKEND AT NEARBY KEY BISCAYNE AND GRAND CAY IN THE BAHAMAS -
PLANNED TO MAKE NO SIDE TRIPS TO OTHER ASIAN COUNTRIES DURING THE
BANGKOK STOPOVER.

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INWARD CABLEGRAM

HE SAID ALSO THAT THERE WERE NO PLANS FOR INVITING OFFICIALS FROM OTHER NATIONS THERE FOR CONSULTATIONS.

MR. ZEIGLER MADE THESE REMARKS IN A PRESS BRIEFING IN WHICH THE ITINERARY OF THE PRESIDENT'S TRIP TO ASIA AND RUMANIA WAS DISCLOSED. THE SCHEDULE MAY BE CHANGED IN MINOR DETAILS, MR. ZEIGLER SAID. HE LISTED IT AS FOLLOWS -

JULY 24 - THE PRESIDENT WILL WITNESS FROM THE CARRIER HORNET THE SPLASHDOWN IN THE PACIFIC OF THE APOLLO 11 ASTRONAUTS FOLLOWING THEIR TRIP TO THE MOON.

THE PRESIDENT WILL THEN FLY TO JOHNSTON ISLAND AND GUAM.

JULY 25 - BECAUSE HE WILL CROSS THE INTERNATIONAL DATELINE ON HIS WAY TO GUAM, THE PRESIDENT WILL LOSE A DAY BY THE CALENDAR AND ACTUALLY SPEND THE NIGHT OF JULY 25 THERE.

JULY 26 - GUAM TO MANILA.
OVERNIGHT IN MANILA.

JULY 27 - MANILA TO DJAKARTA, INDONESIA.
OVERNIGHT IN DJAKARTA.

JULY 28 - DJAKARTA TO BANGKOK.
OVERNIGHT IN BANGKOK.

JULY 29-30 - BANGKOK.

JULY 31 - BANGKOK TO NEW DELHI.

AUG 1 - NEW DELHI TO LAHORE, PAKISTAN.
OVERNIGHT IN LAHORE.

AUG 2 - LAHORE TO BUCHAREST.
OVERNIGHT IN BUCHAREST.

AUG 3 - BUCHAREST TO WASHINGTON.

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DEPARTMENT OF EXTERNAL AFFAIRS

INWARD CABLEGRAM

MIN. AND DEPT. OF E.A.
MIN. AND DEPT. OF DEFENCE
P.M'S DEPT.
D.C.O.
P.M'S

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PACAM SA EA AMSP FAS(3) FAS(4) EAMEC E LA ICR PIO
BANGKOK DJAKARTA MANILA NEW DELHI RAWALPINDI